
TIGARD CITY COUNCIL
MEETING

AUGUST 17, 2004 6:30 p.m.

TIGARD CITY HALL
13125 SW HALL BLVD
TIGARD, OR 97223



PUBLIC NOTICE:

Assistive Listening Devices are available for persons with impaired hearing and should be scheduled for Council meetings by noon on the Monday prior to the Council meeting. Please call 503-639-4171, ext. 2410 (voice) or 503-684-2772 (TDD – Telecommunications Devices for the Deaf).

Upon request, the City will also endeavor to arrange for the following services:

- Qualified sign language interpreters for persons with speech or hearing impairments; and
- Qualified bilingual interpreters.

Since these services must be scheduled with outside service providers, it is important to allow as much lead-time as possible. Please notify the City of your need by 5:00 p.m. on the Thursday preceding the meeting date by calling: 503-639-4171, ext. 2410 (voice) or 503-684-2772 (TDD – Telecommunications Devices for the Deaf).

SEE ATTACHED AGENDA

A G E N D A
TIGARD CITY COUNCIL WORKSHOP MEETING
August 17, 2004, 6:30 PM

6:30 PM

1. WORKSHOP MEETING
 - 1.1 Call to Order – City Council
 - 1.2 Roll Call
 - 1.3 Pledge of Allegiance
 - 1.4 Council Communications & Liaison Reports
 - 1.5 Call to Council and Staff for Non Agenda Items
2. QUARTERLY WATER UPDATE
 - a. Staff Report: Dennis Koellermeier, Public Works Director
 - b. Council Discussion
3. RIGHT- OF- WAY MAINTENANCE
 - a. Staff Report: Dennis Koellermeier, Public Works Director
 - b. Council Discussion
4. BUILDING CODE ADOPTION UPDATE
 - a. Staff Report: Gary Lampella, Building Official
 - b. Council Discussion
5. FINANCIAL STATEMENT ALTERNATIVE REVIEW AND SELECTION
 - a. Staff Report: Finance Staff
 - b. Council Discussion
6. CITYWIDE SEWER EXTENSION PROGRAM UPDATE
 - a. Staff Report: Gus Duenas, City Engineer
 - b. Council Discussion
7. DRAFT SANITARY SEWER & STORM DRAINAGE PUBLIC FACILITY PLANS
 - a. Staff Report: Gus Duenas, City Engineer
 - b. Council Discussion
8. AFFORDABLE HOUSING RESIDENTIAL SERVICES GRANT PROGRAM DISCUSSION
 - a. Staff Report: Liz Newton, City Administration
 - b. Council Discussion

9. SOCIAL SERVICE GRANT PROGRAM COORDINATION
 - a. Staff Report: Liz Newton, City Administration
 - b. Council Discussion
10. DISCUSSION OF RECOMMENDATIONS PERTAINING TO THE REGIONAL BLUE RIBBON HOUSING TASK FORCE
 - a. Staff Report: Liz Newton, City Administration
 - b. Council Discussion
11. REVIEW COUNCIL GROUND RULES
 - a. Staff Report: Bill Monahan, City Manager
 - b. Council Discussion
12. COUNCIL LIAISON REPORTS
13. NON-AGENDA ITEMS
14. ADJOURNMENT

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AGENDA ITEM # 2
FOR AGENDA OF August 17, 2004

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Quarterly Water Update

PREPARED BY: Dennis Koellermeier DEPT HEAD OK DHL CITY MGR OK WAM

ISSUE BEFORE THE COUNCIL

The City continues to make progress since the last Council update regarding Tigard's efforts to secure a long term water supply and with capacity increasing projects. This will be the sixth joint meeting with the Intergovernmental Water Board (IWB) where staff will brief the Council and IWB on the most current information available regarding our relationship with the City of Portland, our membership with the Joint Water Commission (JWC), progress of the Aquifer Storage Recovery (ASR) program expansion, and status of the Alberta Rider School Reservoir.

STAFF RECOMMENDATION

No action is recommended at this time

INFORMATION SUMMARY

The City has been actively pursuing ownership in a long term source of water. Past and current Council goals and the visioning process have consistently directed the City to this goal. Tigard has worked on projects to achieve this goal by pursuing the regionalization of the Bull Run System and also by seeking membership in the Joint Water Commission. Since the City of Portland withdrew their support of a regional agency, Tigard and other suburban wholesalers have been involved in negotiations for a new wholesale water contract with the City of Portland. Staff will present a status report on their efforts.

Tigard has successfully gained membership into the Joint Water Commission (JWC). Membership is based on the ability to obtain a supply of 4 million gallons per day (mgd) from the Commission.

Staff will also report on the continuing pursuit for increasing current capacity through our Aquifer Storage Recovery (ASR) Program and will present an update of progress on current well construction and testing. Staff will also report on the status of the Alberta Rider School Reservoir project.

OTHER ALTERNATIVES CONSIDERED

N/A

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

Current Council Goals and the Visioning document identify the desire to obtain a long term water supply as well as to increase capacity as stated under Urban and Public Services, Water and Stormwater, Goal #1:

“Actively participate in regional development of drinking water sources and adequate innovative funding mechanisms to develop those sources for Tigard users, while exploring local options for water reuse and groundwater source.”

ATTACHMENT LIST

N/A

FISCAL NOTES

N/A

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Review of Right-of-Way and Sidewalk Maintenance Practices

PREPARED BY: Dennis Koellermeier

DEPT HEAD OK DLK

CITY MGR OK MAN

ISSUE BEFORE THE COUNCIL

Council is being updated on the status of right-of-way and sidewalk maintenance issues on collector and arterial streets following the policy set by Council in 2001.

STAFF RECOMMENDATION

Review current information and advise staff if the Council wants to change current policy.

INFORMATION SUMMARY

In 2001 Council reviewed City ordinances and policies relating to the maintenance of public right-of-ways. Of particular concern were major collector and arterial streets with Durham Road being the prime example. Many of these streets abut double frontage lots and, in many cases, abutting properties are actually fenced off from these right-of-ways and have no access.

City code requires an abutting property owner to be responsible for a minimal level of maintenance on adjacent right-of-ways. Currently the Public Works Department limits its activities to maintaining right-of-ways abutting public properties and industrial level mowing of brush at selected undeveloped sites. Code Enforcement has managed the process of notification of property owners where maintenance has fallen below minimal standards. This has caused some complaints from property owners.

The City Council recently considered a proposal to include certain right-of-way maintenance activities in the then developing Street Maintenance Fee proposal. Council ultimately chose to drop this component from the final fee.

OTHER ALTERNATIVES CONSIDERED

- 1) Maintain status quo,
- 2) Change municipal codes to shift maintenance responsibility of certain classes of streets or specific streets from the abutting property owner to the City and budget accordingly,
- 3) Develop a volunteer effort to assist in this program

TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

The right-of-way vegetation maintenance program falls within the general parameter of the "Tigard Beyond Tomorrow" goal for Community Character and Quality of Life.

ATTACHMENT LIST

N/A

FISCAL NOTES

The 2004/2005 fiscal year budget for the Street Maintenance Division is \$844,875 and includes funding for five (5) annual cycles of roadside mowing, each cycle representing approximately 6.75 miles. Public Works estimates approximately \$130,000 is spent annually for right-of-way maintenance citywide. An additional cost for code enforcement activities exists and has not been included in this estimate. An enhanced maintenance program has been estimated to cost an additional \$150,000 to \$400,000 annually, depending on the level of service requested.

AGENDA ITEM # 4
FOR AGENDA OF August 17, 2004

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Building Code Adoption Update

PREPARED BY: Gary Lampella DEPT HEAD OK [Signature] CITY MGR OK [Signature]

ISSUE BEFORE THE COUNCIL

An update on the State of Oregon code adoption process and a proposed Ordinance amending TMC Title 14. No action is being requested at this time.

STAFF RECOMMENDATION

This is an informational Agenda Item to update the City Council on the State of Oregon code adoption process and a proposed Ordinance amending TMC Title 14. No requested action at this time.

INFORMATION SUMMARY

The State of Oregon is adopting the International Building Code (IBC) as a statewide document on October 1, 2004. This replaces the previous building code, the Uniform Building Code (UBC) that is no longer being published. There are some changes in the new code that require changes to the TMC to reflect chapter number changes and references to the appropriate code and the publisher of such code.

The changes are minor in nature and will not result in additional fees or charges, nor will it result in changes in operating procedures for either the City of Tigard or the Building Division.

OTHER ALTERNATIVES CONSIDERED

None. ORS 455 mandates that all jurisdictions within the State of Oregon enforce the same code.

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

N/A

ATTACHMENT LIST

Attachment 1, History of Code Adoptions in Oregon.

FISCAL NOTES

Cost of new code books has been budgeted in Fiscal Year 2004-05 Building Division budget.

History of building codes adoptions

The following chronology lists the building codes adopted and amended by the State of Oregon up to current code adoption. (As of October 1, 2003)

Oregon Structural Specialty Code (OSSC)		Oregon Plumbing Specialty Code (OPSC)	
Edition (UBC)	Effective date	Edition (UPC)	Effective date
1973	July 1, 1974	1973	February 1, 1975
1976	March 1, 1978	1976	January 1, 1978
1979	July 1, 1980	1979	July 1, 1981
1982	August 1, 1983	1980 (based on 1979).....	October 13, 1984
1985	July 1, 1986	1985	January 1, 1987
1988	January 1, 1990	1988	January 1, 1990
1991	January 1, 1993	1991	February 1, 1992
1994	April 1, 1996	1994	April 1, 1996
1997	October 1, 1998	1997.....	April 1, 2000
1997.....Oregon Amended1998, 4/99, 10/99, 4/00, 10/00, 10/01, 1/02, 10/03			

Oregon Electrical Specialty Code		Oregon Mechanical Specialty Code (OMSC)	
Edition (NEC)	Effective date	Edition (UMC)	Effective date
1968	January 1, 1969	1973	July 1, 1974
1971	May 1, 1972 (est.)	1976	March 1, 1978
1975	July 1, 1975	1979	July 1, 1980
1978	January 1, 1978	1982	August 1, 1983
1981	October 1, 1981	1985	May 1, 1986
1984	July 1, 1984	1988	January 1, 1990
1987	May 1, 1987	1991	January 1, 1993
1990	July 1, 1990	1994	April 1, 1996
1993	July 1, 1993	1998...(IMC).....	October 1, 1999
1996	October 1, 1996	2000...(IMC).....	October 1, 2002
1999.....	April 1, 2000		
2002.....	October 1, 2002		

Oregon One & Two-Family Dwelling Specialty code	
Edition (CABO)	Effective date
1983	May 1, 1986
1986	Not adopted
1989	April 1, 1990
1992	May 1, 1993
1992	April 1, 1995
1995	April 1, 1996
1998...(Int. 1 & 2).....	April 1, 2000
2000...(IRC).....	April 1, 2003

Proposed Future Code Adoptions Bldg-Elect-Mech-Plmg

Edition	Effective Date
2003... (IBC).....	October 1, 2004
2003... (IMC).....	October 1, 2004
2003... (IRC).....	April 1, 2005
2003... (UPC).....	April 1, 2005
2005... (NEC).....	April 1, 2005

NOTE: The 2003 edition of the IFC will be adopted on 10/1/04 and be adopted hereafter on the same date as the OSSC and OMSC.

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Workshop - Financial Statement Alternative Review and Selection

PREPARED BY: Tom Imdieke/Roger Dawes DEPT HEAD OK RI CITY MGR OK WMA

ISSUE BEFORE THE COUNCIL

Determine format and type of monthly financial reports to be submitted to City Council members.

STAFF RECOMMENDATION

Format and level of detail of financial reports will be selected by Council members at the workshop on August 17, 2004.

INFORMATION SUMMARY

During the recent Budget Committee hearings, Councilors requested that the Finance Department begin submitting monthly financial statements to members of the City Council. At the Council workshop on August 17, 2004, staff will present various types and formats of financial reports that can be made available for distribution. The reports will give Council members an option as to the level of detail they wish to review on a monthly basis. After selection, staff will prepare and begin distribution of the reports to Council and the citizen members of the Budget Committee beginning with the accounting period ending August 30, 2004. Reports will then be available for distribution by the tenth of the following month.

OTHER ALTERNATIVES CONSIDERED

N/A

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

N/A

ATTACHMENT LIST

Presentation and explanation of alternative reports will be presented at the August 17, 2004 workshop.

FISCAL NOTES

N/A

AGENDA ITEM # 6
FOR AGENDA OF August 17, 2004

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Citywide Sewer Extension Program Update
PREPARED BY: Agustin P. Duenas DEPT HEAD OK: Agustin P. Duenas CITY MGR OK: Bill Monahan

ISSUE BEFORE THE COUNCIL

Informational briefing on the status of the Citywide Sewer Extension Program. No official Council action is required.

STAFF RECOMMENDATION

This is a status update on a program established by Council. Staff welcomes any questions from Council regarding the progress of the program.

INFORMATION SUMMARY

On June 12, 2001, City Council established the Citywide Sewer Extension Program to extend sewer service to all developed but unserved lots in the City. The projects were divided into manageable segments and were tentatively scheduled for design and construction over a 5-year period beginning with Fiscal Year 2002-03. At the beginning of the program, 677 residential lots were identified as needing sewer service. By the end of FY 2003-04, 195 sewer laterals have been installed and are now available for connection. The program is now early in its third year. Attached is a summary update providing a status of the program. Attached to that update is Table 1 (Program Status Report), which provides the schedule for installing the remaining 482 sewer services. The projects shown in Table 1 will be completed through the City's annual Capital Improvement Program.

The actual projects for FY 2004-05 have already been included in this fiscal year's CIP. The projects for the next two fiscal years will be selected through the CIP formulation process. The priority of the projects may change in the upcoming fiscal years depending upon proposed street projects and potential difficulties involved in acquiring easements for extension of the sewer lines. The program completion may extend beyond the next three fiscal years, depending upon the ease of forming these anticipated districts. However, every attempt will be made to program and construct the projects shown during the next three years.

OTHER ALTERNATIVES CONSIDERED

N/A

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

N/A

ATTACHMENT LIST

Citywide Sewer Extension Program Update with Attachments

Attachments: Table 1 (Program Status Report)
 Resolution No. 01-46
 Resolution No. 03-55

Communication Plan

FISCAL NOTES

Funding for sanitary sewer projects in the Citywide Sewer Extension Program are funded through the Sanitary Sewer Fund in the City's annual Capital Improvement Program.

Citywide Sewer Extension Program Update

August 17, 2004

Background

The Citywide Sewer Extension Program is a Council-directed program to systematically extend sewer service throughout the City. The mechanism to extend the sewer lines and provide service is through the formation of reimbursement districts. Reimbursement districts are formed to install public sewers to the lots within the districts and the owners would reimburse the City for a fair share of the cost of the public sewer at the time of connection. On June 12, 2001, Council established a 5-year program to systematically extend sewers Citywide in accordance with a sewer master plan developed for that purpose. The intention was to extend sewer service throughout the City so that as aging septic systems failed, sewers would be available for the owners to connect to without delay and at the least possible expense.

At the beginning of the program, there were 677 residential lots throughout the City, plus about 80 commercial lots in the Tigard Triangle Area, identified as being without sewer service. These lots were typically on septic systems 30 years old or more. Failed septic systems create health hazards to the community. It is extremely difficult to react to failed septic systems that occur at random. The Citywide Sewer Extension Program was established to extend sewers to all unsewered residential areas such that City sewer would be available as these systems fail.

Incentive Programs

Some of the unserved areas in the City are difficult to serve. Existing basements require the sewer lines to be placed relatively deep. At those depths, soil is sometimes unsuitable and requires importation of suitable fill. Proper shoring of the deep trenches is always a challenge. The costs to extend the sewer lines can rapidly increase because of those circumstances. This often results in widely varying individual costs to the home owners. The average cost per owner in sewer extensions at reasonable depths (up to 10 feet) in relative stable soils is approximately \$6,000. In an attempt to equalize the cost of extending sewer to residents Citywide, and to encourage early connections, City Council established incentive programs to reduce the reimbursement fee for those who choose to take advantage of the programs.

Resolution No. 01-46 (attached) reduces each owner's fair share to \$6,000, to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report. Sewer becomes available to residents following Council approval of that report. In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. The City therefore provides a subsidy of up to \$9,000 to encourage early hookup.

Resolution No. 03-55 (attached) allows those home owners with costs that exceed \$15,000 to (upon request) defer those amounts that exceed \$15,000 until the lot is partitioned or otherwise developed. This would allow home owners on septic systems that merely wish to connect an existing house, or a home owner that wishes to build a house on an existing lot, to connect to sewer at the same cost as anyone else (\$6,000 if done within the first 3 years).

The Current Program

Under the current program, the City forms reimbursement districts to construct the sewer improvements. At the time the property owner connects to the sewer, the owner would reimburse the City for a fair share of the total project cost. The amount an owner reimburses the City to connect to the sewer includes the actual amount the contractor is paid to construct the project plus 13.5% for engineering and administrative costs. For those owners that connect within the first three years after sewer becomes available, the City offers the incentive program that caps the owner's share at \$6,000 for the fair share that falls between \$6,000 and \$15,000. The owner would pay for any costs that exceed \$15,000. This, in effect, is a maximum \$9,000 subsidy from the City. Costs that exceed \$15,000 for any particular lot typically indicate that the lot is large in size and is capable of being subdivided into two or more lots upon development.

In addition to the fair share of the project cost, each owner would be required to pay a connection fee of \$2,535 before connecting to the line and would be responsible for disconnecting the existing septic system according to County rules and for any other plumbing modifications necessary to connect to the public line. Because the costs for plumbing modifications and closure of the existing septic systems vary widely for each lot and structure, each owner would need to consult a plumbing contractor to provide an estimate for what that cost would be.

The costs involved are therefore:

- Fair Share of the Project Cost (Each lot's share of the actual cost of the project plus 13.5% for engineering and administrative costs)
- Connection Fee (currently \$2,535.00)
- Plumbing modifications to connect to the sewer lateral provided (Owner's Responsibility-Costs vary dependent upon situation)
- Closure of the existing septic system (Owner's Responsibility-Costs vary dependent upon situation)

There is no requirement to connect to the sewer or to pay any fees until the owner chooses to connect to the sewer. Property owners that connect to the sewer fifteen (15) years or more after the district is formed do not have to pay the reimbursement fee. The connection charges at the time of connection would apply.

For those that do not choose to connect during the first three years after the sewer is made available, the reimbursement fee would be the full share of the project cost plus an annual increase as established by the City's Finance Director. The current rate (simple interest) is 6.05%.

Public Information Process

General Meeting: City staff conducted a general meeting on March 18, 2004 to describe the Citywide Sewer Extension program to property owners in proposed districts.

Project Specific Meetings: Meetings to discuss project details with homeowners in specific districts will be held prior to project implementation. These meetings would allow homeowners to ask detailed questions regarding the project and provide one more opportunity for input into the process prior to actual construction of the project. Some of the smaller districts may be combined in scheduling these meetings.

Other Communications: Notices will be sent to each homeowner in a district providing information on the project and on the program in general. Brochures specific to each project will also be prepared and distributed to supplement the notices.

Progress Report

Table 1 (attached) provides a program status report. The 5-year program is expected to be substantially completed by the end of Fiscal Year 2006-07. Most of the unserved areas will be sewered by the conclusion of the program. It may be impractical to extend sewers to some of the areas currently included in the program. Potential problems include environmental constraints, difficult topography, and existing obstructions (existing homes, etc.). These difficult projects will be identified as the detailed design work is performed. Those projects that may not be feasible because of various reasons will be reported to Council for discussion and direction when sufficient information is acquired to conduct these discussions. Once the program is concluded, any remaining lots would be served based on interest shown by the residents and would be dependent upon availability of funding at that time.

Attachments: Table 1 (Program Status Report)
Resolution No. 01-46
Resolution No. 03-55

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Table 1

Program Status Report

Citywide Sewer Extension Program

AREA Previous Districts Since Program Initiation	LOTS	Status	Easement Required
	195	Completed	
FY-2004-2005			
OMARA , EDGEWOOD	45	In Design	Yes
121ST AVENUE	70	Established 7-13-04	
100TH, MURDOCK, SATTLER	74	Under construction	
117TH AVE	3	Planned	
WALNUT - PHASE 3	3	Planned	
SUBTOTAL	195		
FY-2005-2006			
100TH AVE	21	Planned	Yes
CHERRY STREET (ROCK)	25		Yes
97TH AVE / 100TH AVE	21		Yes
HILLVIEW STREET	6		Yes
112TH / WALNUT	34		WALNUT ST.
FERN STREET	7		
ASH AVENUE	11		
93RD AVENUE	33		Yes
SUBTOTAL	158		
FY-2006-2007			
FAIRHAVEN STREET	19		Yes
HOODVIEW DR *(ROCK)	27		
VARNS STREET *(ROCK)	27		Yes
ANN STREET	6		
87TH AVE	6		Yes
110TH AVE	3		Yes
115TH AVE	3		
MCDONALD ST. SWR (Finish)	0		Yes
ALBERTA / JAMES / MARION ST	29		Yes
FONNER	9		Yes
SUBTOTAL	129		
TOTAL REMAINING:	482		

* Projects where City may pay to extend the lines to the area to be served.

CITY OF TIGARD, OREGON

RESOLUTION NO. 01-46

A RESOLUTION REPEALING RESOLUTION NO. 98-51 AND ESTABLISHING A REVISED AND ENHANCED NEIGHBORHOOD SEWER REIMBURSEMENT DISTRICT INCENTIVE PROGRAM

WHEREAS, the City Council has initiated the Neighborhood Sewer Extension Program to extend public sewers through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, on October 13, 1998, the City Council established The Neighborhood Sewer Reimbursement District Incentive Program through Resolution No. 98-51 to encourage owners to connect to public sewer. The program was offered for a two-year period after which the program would be evaluated for continuation; and

WHEREAS, on September 26, 2000, the City Council extended The Neighborhood Sewer Reimbursement District Incentive Program an additional two years through Resolution No. 00-60; and

WHEREAS, City Council finds that residential areas that remain without sewer service should be provided with service within five years; and

WHEREAS, Council has directed that additional incentives should be made available to encourage owners to promptly connect to sewers once service is available and that owners who have paid for service provided by previously established districts of the Neighborhood Sewer Extension Program should receive the benefits of the additional incentives.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: Resolution No. 98-51 establishing the Neighborhood Sewer Reimbursement District Incentive Program is hereby repealed.

SECTION 2: A revised incentive program is hereby established for the Neighborhood Sewer Extension Program. This incentive program shall apply to sewer connections provided through the sewer reimbursement districts shown on the attached Table 1 or established thereafter. All connections qualifying under this program must be completed within three years after Council approval of the final City Engineer's Report following a public hearing conducted in accordance with TMC Section 13.09.105 or by two years from the date this resolution is passed, whichever is later, as shown on the attached Table 1.

SECTION 3: To the extent that the reimbursement fee determined in accordance with Section 13.09.040 does not exceed \$15,000, the amount to be reimbursed by an owner of a lot zoned single family residential shall not exceed \$6,000 per connection, provided that the lot owner complies with the provisions of Section 2. Any amount over \$15,000 shall be reimbursed by the owner. This applies only to the reimbursement fee for the sewer installation and not to the connection fee, which is still payable upon application for

sewer connection.


SECTION 4: The City Engineer's Report required by TMC Chapter 13.09 shall apply the provisions of this incentive program. Residential lot owners who do not connect to sewer in accordance with Section 2 shall pay the full reimbursement amount as determined by the final City Engineer's Report.

SECTION 5: Any person who has paid a reimbursement fee in excess of the fee required herein is entitled to reimbursement from the City. The amounts to be reimbursed and the persons to be paid shall be determined by the Finance Director and approved by the City Manager. There shall be a full explanation of any circumstances that require payment to any person who is not an original payer. The Finance Director shall make payment to all persons entitled to the refund no later than August 31, 2001.

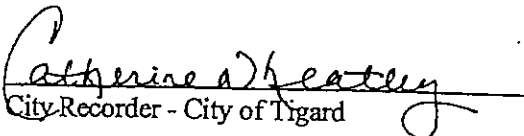
SECTION 6: The Sanitary Sewer Fund, which is the funding source for the Neighborhood Sewer Reimbursement District Program, shall provide the funding for the installation costs over \$6,000 up to a maximum of \$15,000 per connection.

EFFECTIVE DATE: July 10, 2001

PASSED: This 10th day of July 2001.


Mayor - City of Tigard

ATTEST:


City Recorder - City of Tigard

I:\Citywide\Res\Resolution Revising the Neighborhood Sewer Incentive Program

TABLE 1
Reimbursement Districts with Refunds Available

DISTRICT	FEE PER LOT	REIMBURSEMENT AVAILABLE	INCENTIVE PERIOD ENDS
TIGARD ST.No.8	5,193	No reimbursement available	
FAIRHAVEN ST/WYNo.9	4,506	No reimbursement available	
HILLVIEW ST No.11	8,000		
106 TH & JOHNSON No.12	5,598	No reimbursement available	July 11, 2003
100 TH & INEZ No.13	8,000		
WALNUT & TIEDEMAN No.14	8,000		July 11,2003
BEVELAND&HERMOSA No.15	5,036	No reimbursement available	July 11,2003
DELMONTE No.16	8,000		
O'MARA No.17	8,000		July 11,2003
WALNUT & 121 ST No.18	-	Amount to be reimbursed will be	July 11,2003
ROSE VISTA No.20	-	determined once final costs are determined.	Three years from service availability

* Currently being constructed

CITY OF TIGARD, OREGON

RESOLUTION NO. 03- 55

A RESOLUTION PROVIDING ADDITIONAL INCENTIVES TO THE NEIGHBORHOOD SEWER REIMBURSEMENT DISTRICT INCENTIVE PROGRAM (RESOLUTION NO. 01 - 46).

WHEREAS, the City Council has initiated the Neighborhood Sewer Extension Program to extend public sewers through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, on July 10, 2001, the City Council established the Revised and Enhanced Neighborhood Sewer Reimbursement District Incentive Program through Resolution No. 01-46 to encourage owners to connect to public sewer within three-years following construction of sewers; and

WHEREAS, Council has directed that additional incentives should be made available to encourage owners of large lots to promptly connect to sewers once service is available.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

- SECTION 1: In addition to the incentives provided by Resolution No. 01-46, any person whose reimbursement fee exceeds \$15,000 and wishes to connect a single family home or duplex to a sewer constructed through a reimbursement district may defer payment of the portion of the reimbursement fee that exceeds \$15,000, as required by Section 3 of Resolution No. 01-46, until the lot is partitioned or otherwise developed in accordance with a land use permit. The land use permit shall not be issued until payment of the deferred amount is made. The Annual Fee Adjustment required by TMC Section 13.09.115 shall not apply to payment of this deferred amount.
- SECTION 2: Lots that qualify under Section 1, within reimbursement districts that have exceeded the three-year period for connection, and have not connected to sewer can connect the existing structure, pay a reimbursement fee of \$6,000, and defer payment of the portion of the reimbursement fee that exceeds \$15,000 if connection to the sewer is completed within one year after the effective date of this resolution.
- SECTION 3: Vacant lots improved with a single family home or duplex during the term of the reimbursement district shall qualify for the provisions of Resolution No. 01-46, pay \$6,000 if the fee exceeds that amount, and may defer payment of the portion of the reimbursement fee that exceeds \$15,000 as provided by Section 1.
- SECTION 4: Vacant lots that are partitioned, subdivided, or otherwise developed during the life of the reimbursement district shall qualify for the provisions of Resolution No. 01-46, shall pay a reimbursement fee of \$6,000, and shall pay any amount due over \$15,000 at the time of development. The Annual Fee Adjustment required by TMC Section 13.09.115 shall not apply to payments made under this section.
- SECTION 5: The owner of any lot for which deferred payment is requested must enter into an agreement with the City, on a form prepared by the City Engineer, acknowledging the

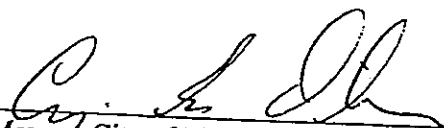
owner's and owner's successors obligation to pay the deferred amount as described in Section 1. The City Recorder shall cause the agreement to be filed in the office of the County Recorder to provide notice to potential purchasers of the lot. The recording will not create a lien. Failure to make such a recording shall not affect the obligation to pay the deferred amount.

SECTION 6: Any person who qualifies under Section 1 and has paid a reimbursement fee for the portion of the reimbursement fee in excess of \$15,000 is entitled to reimbursement for that amount from the City upon request. The amounts to be reimbursed and the persons to be paid shall be determined by the Finance Director and approved by the City Manager. There shall be a full explanation of any circumstances that require payment to any person who is not an original payer. Any person requesting a refund must sign an agreement similar to that described in Section 5 acknowledging the obligation to pay the refunded amount upon partitioning or developing the lot.

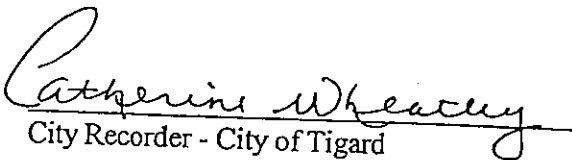
SECTION 7: The Sanitary Sewer Fund continues to remain the funding source for the Neighborhood Sewer Reimbursement District Program and shall provide the funding for the installation costs over \$6,000 up to a maximum of \$15,000 per connection and for any deferred payment permitted by this resolution.

SECTION 8: This resolution is effective immediately upon passage.

PASSED: This 14th day of October 2003.


~~Mayor - City of Tigard~~
Craig E. Dirksen, Council President

ATTEST:


Catherine Wheatey
City Recorder - City of Tigard

L:\eng\org\reimbursement districts\revisions res 01-46 aug 20 03\oct 14 03 council\10-14-03 addition to res 1-46 res.doc

Communication Plan

Sanitary Sewer Extension Program

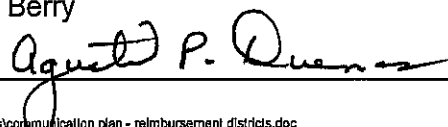
Goal: Construction of Sanitary Sewer Extension Projects through Reimbursement Districts.

Timeline: FY 04-05

Communication Goal: To communicate to property owners within proposed sanitary sewer reimbursement districts the general features of reimbursement district and the project schedule.

Date	Item	Description	Responsibility
Jan. 31, '05	Project Descriptions	Provide maps, schedule, estimate to Project Engineer	CIP Division Manager
Feb. 4 '05	Web Page	Provide project descriptions to Sr. Admin. Spec.	Project Engineer
Feb. 4, '05	Community Connectors	Submit to Asst. City Manager	Project Engineer
Feb. 4 '05*	Cityscape Article	Edit and submit	Project Engineer
Feb. 13, '05	Web Page	Submit to Web Team	Sr. Admin. Spec.
March 1, '05	FOT	Submit to presenter	Project Engineer
March 1, '05	Press Release	Issue	Project Engineer
March 21, '05	Lot Numbers and Mailing List	Provide to Sr. Admin. Spec.	CIP Division Manager Engineering Tech
March 21, '05	Notice of Neighborhood Meeting	Provide to Sr. Admin. Spec.	Project Engineer
March 28, '05	Mail Notice of Neighborhood Meeting	Notice of the meeting is mailed to each owner within the proposed districts.	Sr. Admin. Spec.
April 14, '05	Neighborhood Meeting	Inform owners within proposed districts of the general features of reimbursement districts and the project schedule. Receive and record comments. Town Hall 6:30 PM	CIP Division Manager Project Engineer
Project Dependent	Formation of Districts	Preparation of notice and support documents	Project Engineer
"	Mail Notices and Documents	Submit notices and documents. Mail all notices and documents.	Project Engineer Sr. Admin. Spec.
"	Finalize Districts	Preparation of notices with final cost information.	Project Engineer
"	Mail Notices and Final Cost Information.	Submit for mailing. Mail notices and final cost information.	Project Engineer Sr. Admin. Spec.
* Based on 03-04 Schedule			

Prepared by: Greg Berry

Approved by: 

\\eng\greg\reimbursement districts\districts\communication plan - reimbursement districts.doc

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Draft Sanitary Sewer and Storm Drainage Public Facility Plans
PREPARED BY: Agustin P. Duenas DEPT HEAD OK: Agustin P. Duenas CITY MGR OK: Bill Monahan

ISSUE BEFORE THE COUNCIL

Discussion of the Council goal for preparation of Public Facility Plans for streets, streetlights, sidewalks, sanitary sewer and storm drainage facilities in general. Review and discussion of the draft Sanitary Sewer and Storm Drainage Public Facility Plans.

STAFF RECOMMENDATION

Staff recommends that Council provide direction to staff to proceed with the preparation of Public Facility Plans for specific public facilities, which would form the basis for future preparation of a Public Facility Plan that would support an updated Comprehensive Plan in accordance with Oregon Administrative Rules Chapter 660 Division 11. Staff further recommends that Council provide direction on the public process for adoption of the plans developed for those specific components.

INFORMATION SUMMARY

Several years ago, one of the Council goals was to prepare public facility plans for streets, streetlights, sidewalks, sanitary sewer and storm drainage facilities. A Public Facility Plan is a formal document described in the Oregon Administrative Rules Chapter 660 Division 11 as a required element of the City's land use planning program. The primary purpose of a Public Facility Plan as defined in that OAR is to ensure that adequate public facilities are provided within a jurisdiction. It is a support document to a City's comprehensive plan. A Facility Plan as described in the OAR includes all public facilities (water, sewer and transportation) that are required to support the land uses designated in the comprehensive plan within an urban growth boundary and is submitted to the Land Conservation and Development Department for approval.

Because the Council goal only specified certain public facilities, staff proposes to develop public facility plans that are not necessarily tied to the land use requirements but would be usable for anyone that needs to know essential information about each public facility covered. The draft plans for sanitary sewer and storm drainage are prepared with that in mind and are provided for Council review and discussion. Each includes a section on maintenance, which is not typically part of a public facility plan as defined by the OAR. These plans developed for specific elements could form the basis for future preparation of a Public Facility Plan as part of the land use planning process and which covers all the public facilities (including water) in one comprehensive document.

Council direction is needed to determine how staff should proceed to comply with the Council goal. Two possible options are presented as follows:

Option 1: Staff proceeds with preparation of Public Facility Plans for specific components that would provide complete information on each public facility covered, including a maintenance element for each component. These plans would form the basis for preparation of a future Public Facility Plan that complies with the land use planning requirements. The adoption process should include, at a minimum, public review and comment, Planning Commission review and comment, followed by review, comment, and adoption by Council.

Option 2: Council decides that a Public Facility Plan in accordance with the OAR should be developed. Staff would not proceed any further with the specific components identified in the Council goal. The Public Facility Plan should be prepared as part of the comprehensive planning process and should be programmed to follow the Comprehensive Plan update, which is expected to be initiated in 2005. It should be one comprehensive document that includes all the elements required by OAR Chapter 660 Division 11 (including water), and should be submitted to the Department of Land Conservation and Development Department for review and approval.

OTHER ALTERNATIVES CONSIDERED

None.

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

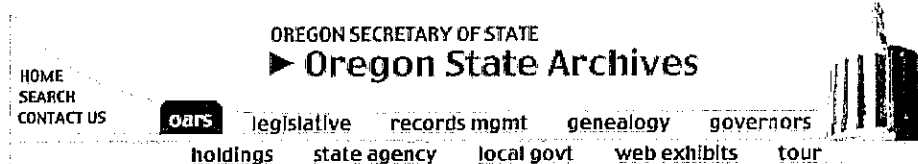
N/A

ATTACHMENT LIST

Oregon Administrative Rules Chapter 660 Division 11 (Public Facilities Planning)
Draft Sanitary Sewer Facility Plan
Draft Storm Drainage Facility Plan

FISCAL NOTES

There are no funds allocated for preparation of Public Facility Plans. All work would be completed with inhouse staff.



The Oregon Administrative Rules contain OARs filed through June 15, 2004

LAND CONSERVATION AND DEVELOPMENT DEPARTMENT

DIVISION 11

PUBLIC FACILITIES PLANNING

660-011-0000

Purpose

The purpose of this division is to aid in achieving the requirements of Goal 11, Public Facilities and Services, OAR 660-015-0000(11), interpret Goal 11 requirements regarding public facilities and services on rural lands, and implement ORS 197.712(2)(e), which requires that a city or county shall develop and adopt a public facility plan for areas within an urban growth boundary containing a population greater than 2,500 persons. The purpose of the plan is to help assure that urban development in such urban growth boundaries is guided and supported by types and levels of urban facilities and services appropriate for the needs and requirements of the urban areas to be serviced, and that those facilities and services are provided in a timely, orderly and efficient arrangement, as required by Goal 11. The division contains definitions relating to a public facility plan, procedures and standards for developing, adopting, and amending such a plan, the date for submittal of the plan to the Commission and standards for Department review of the plan.

[ED. NOTE: The goal referred to or incorporated by reference in this rule is available from the agency.]

Stat. Auth.: ORS 183 & OAR 197

Stats. Implemented: ORS 197.712

Hist.: LCDC 4-1984, f. & ef. 10-18-84; LCDD 4-1998, f. & cert. ef. 7-28-98

660-011-0005

Definitions

(1) "Public Facilities Plan": A public facility plan is a support document or documents to a comprehensive plan. The facility plan describes the water, sewer and transportation facilities which are to support the land uses designated in the appropriate acknowledged comprehensive plans within an urban growth boundary containing a population greater than 2,500. Certain elements of the public facility plan also shall be adopted as part of the comprehensive plan, as specified in OAR 660-11-045.

(2) "Rough Cost Estimates": Rough cost estimates are approximate costs expressed in current-year (year closest to the period of public facility plan development) dollars. It is not intended that project cost estimates be as exact as is required for budgeting purposes.

(3) "Short Term": The short term is the period from year one through year five of the facility plan.

(4) "Long Term": The long term is the period from year six through the remainder of the planning period.

(5) "Public Facility": A public facility includes water, sewer, and transportation facilities, but does not include buildings, structures or equipment incidental to the direct operation of those facilities.

(6) "Public Facility Project": A public facility project is the construction or reconstruction of a water, sewer, or transportation

facility within a public facility system that is funded or utilized by members of the general public.

(7) "Public Facility Systems": Public facility systems are those facilities of a particular type that combine to provide water, sewer or transportation services.

For purposes of this division, public facility systems are limited to the following:

(a) Water:

(A) Sources of water;

(B) Treatment system;

(C) Storage system;

(D) Pumping system;

(E) Primary distribution system.

(b) Sanitary sewer:

(A) Treatment facilities system;

(B) Primary collection system.

(c) Storm sewer:

(A) Major drainageways (major trunk lines, streams, ditches, pump stations and retention basins);

(B) Outfall locations.

(d) Transportation:

(A) Freeway system, if planned for in the acknowledged comprehensive plan;

(B) Arterial system;

(C) Significant collector system;

(D) Bridge system (those on the Federal Bridge Inventory);

(E) Mass transit facilities if planned for in the acknowledged comprehensive plan, including purchase of new buses if total fleet is less than 200 buses, rail lines or transit stations associated with providing transit service to major transportation corridors and park and ride station;

(F) Airport facilities as identified in the current airport master plans;

(G) Bicycle paths if planned for in the acknowledged comprehensive plan.

(8) "Land Use Decisions": In accordance with ORS 197.712(2)(e), project timing and financing provisions of public facility plans shall not be considered land use decisions as specified under ORS 197.015(10).

(9) "Urban Growth Management Agreement": In accordance with OAR 660-003-0010(2)(c), and urban growth management agreement is a written statement, agreement or set of agreements setting forth the means by which a plan for management of the unincorporated area within the urban growth boundary will be completed and by which the urban growth boundary may be modified (unless the same information is incorporated in other acknowledged documents).

(10) Other Definitions: For the purposes of this division, the definitions in ORS 197.015 shall apply except as provided for in section (8) of this rule regarding the definition in ORS 197.015(10).

Stat. Auth.: ORS 183 & ORS 197

Stats. Implemented: ORS 197.712

Hist.: LCDL 4-1984, f. & ef. 10-18-84

660-011-0010

The Public Facility Plan

(1) The public facility plan shall contain the following items:

(a) An inventory and general assessment of the condition of all the significant public facility systems which support the land uses designated in the acknowledged comprehensive plan;

(b) A list of the significant public facility projects which are to support the land uses designated in the acknowledged comprehensive plan. Public facility project descriptions or specifications of these projects as necessary;

(c) Rough cost estimates of each public facility project;

(d) A map or written description of each public facility project's general location or service area;

(e) Policy statement(s) or urban growth management agreement identifying the provider of each public facility system. If there is more than one provider with the authority to provide the system within the area covered by the public facility plan, then the provider of each project shall be designated;

(f) An estimate of when each facility project will be needed; and

(g) A discussion of the provider's existing funding mechanisms and the ability of these and possible new mechanisms to fund the development of each public facility project or system.

(2) Those public facilities to be addressed in the plan shall include, but need not be limited to those specified in OAR 660-011-0005(5). Facilities included in the public facility plan other than those included in OAR 660-011-0005(5) will not be reviewed for compliance with this rule.

(3) It is not the purpose of this division to cause duplication of or to supplant existing applicable facility plans and programs. Where all or part of an acknowledged comprehensive plan, facility master plan either of the local jurisdiction or appropriate special district, capital improvement program, regional functional plan, similar plan or any combination of such plans meets all or some of the requirements of this division, those plans, or programs may be incorporated by reference into the public facility plan required by this division. Only those referenced portions of such documents shall be considered to be a part of the public facility plan and shall be subject to the administrative procedures of this division and ORS Chapter 197.

Stat. Auth.: ORS 183 & ORS 197

Stats. Implemented: ORS 197.712

Hist.: LCDL 4-1984, f. & ef. 10-18-84

660-011-0015

Responsibility for Public Facility Plan Preparation

(1) Responsibility for the preparation, adoption and amendment of the public facility plan shall be specified within the urban growth management agreement. If the urban growth management agreement does not make provision for this responsibility, the agreement shall be amended to do so prior to the preparation of the public facility plan. In the case where an unincorporated area exists within the Portland Metropolitan Urban Growth Boundary which is not contained within the boundary of an approved urban planning area agreement with the County, the County shall be the responsible agency for preparation of the facility plan for that unincorporated area. The urban growth management agreement shall be submitted with the public facility plan as specified in OAR 660-011-0040.

(2) The jurisdiction responsible for the preparation of the public facility plan shall provide for the coordination of such preparation with the city, county, special districts and, as necessary, state and federal agencies and private providers of public facilities. The Metropolitan Service District is responsible for public facility plans coordination within the District consistent with ORS 197.190 and 268.390.

(3) Special districts, including port districts, shall assist in the development of the public facility plan for those facilities they provide. Special districts may object to that portion of the facilities plan adopted as part of the comprehensive plan during review by the Commission only if they have completed a special district agreement as specified under ORS 197.185 and 197.254(3) and (4) and participated in the development of such portion of the public facility plan.

(4) Those state agencies providing funding for or making expenditures on public facility systems shall participate in the development of the public facility plan in accordance with their state agency coordination agreement under ORS 197.180 and 197.712(2)(f).

Stat. Auth.: ORS 183 & ORS 197
Stats. Implemented: ORS 197.712
Hist.: LCDL 4-1984, f. & ef. 10-18-84

660-011-0020**Public Facility Inventory and Determination of Future Facility Projects**

(1) The public facility plan shall include an inventory of significant public facility systems. Where the acknowledged comprehensive plan, background document or one or more of the plans or programs listed in OAR 660-011-0010(3) contains such an inventory, that inventory may be incorporated by reference. The inventory shall include:

- (a) Mapped location of the facility or service area;
- (b) Facility capacity or size; and
- (c) General assessment of condition of the facility (e.g., very good, good, fair, poor, very poor).

(2) The public facility plan shall identify significant public facility projects which are to support the land uses designated in the acknowledged comprehensive plan. The public facility plan shall list the title of the project and describe each public facility project in terms of the type of facility, service area, and facility capacity.

(3) Project descriptions within the facility plan may require modifications based on subsequent environmental impact studies, design studies, facility master plans, capital improvement programs, or site availability. The public facility plan should anticipate these changes as specified in OAR 660-011-0045.

Stat. Auth.: ORS 183 & ORS 197
Stats. Implemented: ORS 197.712
Hist.: LCDL 4-1984, f. & ef. 10-18-84

660-011-0025**Timing of Required Public Facilities**

(1) The public facilities plan shall include a general estimate of the timing for the planned public facility projects. This timing component of the public facilities plan can be met in several ways depending on whether the project is anticipated in the short term or long term. The timing of projects may be related directly to population growth, e.g., the expansion or new construction of water treatment facilities. Other facility projects can be related to a measure of the facility's service level being met or exceeded, e.g., a major arterial or intersection reaching a maximum vehicle-per-day standard. Development of other projects may be more long term and tied neither to specific population levels nor measures of service levels, e.g., sewer projects to correct infiltration and inflow problems. These projects can take place over a long period of time and may be tied to the availability of long-term funding. The timing of projects may also be tied to specific years.

(2) Given the different methods used to estimate the timing of public facilities, the public facility plan shall identify projects as occurring in either the short term or long term, based on those factors which are related to project development. For those projects designated for development in the short term, the public facility plan shall identify an approximate year for development. For those projects designated for development over the long term, the public facility plan shall provide a general estimate as to when the need for project development would exist, e.g., population level; service level standards, etc. Timing provisions for public facility projects shall be consistent with the acknowledged comprehensive plan's projected growth estimates. The public facility plan shall consider the relationships between facilities in providing for development.

(3) Anticipated timing provisions for public facilities are not considered land use decisions as specified in ORS 197.712(2)(c), and, therefore, cannot be the basis of appeal under ORS 197.610(1) and (2) or 197.835(4).

Stat. Auth.: ORS 183 & ORS 197
Stats. Implemented: ORS 197.712
Hist.: LCDL 4-1984, f. & ef. 10-18-84

660-011-0030**Location of Public Facility Projects**

(1) The public facility plan shall identify the general location of the public facility project in specificity appropriate for the facility. Locations of projects anticipated to be carried out in the short term can be specified more precisely than the locations of projects anticipated for development in the long term.

(2) Anticipated locations for public facilities may require modifications based on subsequent environmental impact studies, design studies, facility master plans, capital improvement programs, or land availability. The public facility plan should anticipate those changes as specified in OAR 660-011-0045.

Stat. Auth.: ORS 183 & ORS 197

Stats. Implemented: ORS 197.712

Hist.: LCDC 4-1984, f. & ef. 10-18-84

660-011-0035**Determination of Rough Cost Estimates for Public Facility Projects and Local Review of Funding Mechanisms for Public Facility Systems**

(1) The public facility plan shall include rough cost estimates for those sewer, water, and transportation public facility projects identified in the facility plan. The intent of these rough cost estimates is to:

(a) Provide an estimate of the fiscal requirements to support the land use designations in the acknowledged comprehensive plan; and

(b) For use by the facility provider in reviewing the provider's existing funding mechanisms (e.g., general funds, general obligation and revenue bonds, local improvement district, system development charges, etc.) and possible alternative funding mechanisms. In addition to including rough cost estimates for each project, the facility plan shall include a discussion of the provider's existing funding mechanisms and the ability of these and possible new mechanisms to fund the development of each public facility project or system. These funding mechanisms may also be described in terms of general guidelines or local policies.

(2) Anticipated financing provisions are not considered land use decisions as specified in ORS 197.712(2)(e) and, therefore, cannot be the basis of appeal under ORS 197.610(1) and (2) or 197.835(4).

Stat. Auth.: ORS 183 & ORS 197

Stats. Implemented: ORS 197.712

Hist.: LCDC 4-1984, f. & ef. 10-18-84

660-011-0040**Date of Submittal of Public Facility Plans**

The public facility plan shall be completed, adopted, and submitted by the time of the responsible jurisdiction's periodic review. The public facility plan shall be reviewed under OAR Chapter 660, Division 25, "Periodic Review" with the jurisdiction's comprehensive plan and land use regulations. Portions of public facility plans adopted as part of comprehensive plans prior to the responsible jurisdiction's periodic review will be reviewed pursuant to OAR Chapter 660, Division 18, "Post Acknowledgment Procedures".

Stat. Auth.: ORS 183 & ORS 197

Stats. Implemented: ORS 197.712

Hist.: LCDC 4-1984, f. & ef. 10-18-84

660-011-0045**Adoption and Amendment Procedures for Public Facility Plans**

(1) The governing body of the city or county responsible for development of the public facility plan shall adopt the plan as a supporting document to the jurisdiction's comprehensive plan and shall also adopt as part of the comprehensive plan:

(a) The list of public facility project titles, excluding (if the jurisdiction so chooses) the descriptions or specifications of those projects;

(b) A map or written description of the public facility projects' locations or service areas as specified in sections (2) and (3) of this rule; and

(c) The policy(ies) or urban growth management agreement designating the provider of each public facility system. If there is more than one provider with the authority to provide the system within the area covered by the public facility plan, then the provider of each project shall be designated.

(2) Certain public facility project descriptions, location or service area designations will necessarily change as a result of subsequent design studies, capital improvement programs, environmental impact studies, and changes in potential sources of funding. It is not the intent of this division to:

(a) Either prohibit projects not included in the public facility plans for which unanticipated funding has been obtained;

(b) Preclude project specification and location decisions made according to the National Environmental Policy Act; or

(c) Subject administrative and technical changes to the facility plan to ORS 197.610(1) and (2) or 197.835(4).

(3) The public facility plan may allow for the following modifications to projects without amendment to the public facility plan:

(a) Administrative changes are those modifications to a public facility project which are minor in nature and do not significantly impact the project's general description, location, sizing, capacity, or other general characteristic of the project;

(b) Technical and environmental changes are those modifications to a public facility project which are made pursuant to "final engineering" on a project or those that result from the findings of an Environmental Assessment or Environmental Impact Statement conducted under regulations implementing the procedural provisions of the National Environmental Policy Act of 1969 (**40 CFR Parts 1500-1508**) or any federal or State of Oregon agency project development regulations consistent with that Act and its regulations.

(c) Public facility project changes made pursuant to subsection (3)(b) of this rule are subject to the administrative procedures and review and appeal provisions of the regulations controlling the study (**40 CFR Parts 1500-1508** or similar regulations) and are not subject to the administrative procedures or review or appeal provisions of ORS Chapter 197, or OAR Chapter 660 Division 18.

(4) Land use amendments are those modifications or amendments to the list, location or provider of, public facility projects, which significantly impact a public facility project identified in the comprehensive plan and which do not qualify under subsection (3)(a) or (b) of this rule. Amendments made pursuant to this subsection are subject to the administrative procedures and review and appeal provisions accorded "land use decisions" in ORS Chapter 197 and those set forth in OAR Chapter 660 Division 18.

Stat. Auth.: ORS 183 & ORS 197

Stats. Implemented: ORS 197.712

Hist.: LCDC 4-1984, f. & ef. 10-18-84

660-011-0050

Standards for Review by the Department

The Department of Land Conservation and Development shall evaluate the following, as further defined in this division, when reviewing public facility plans submitted under this division:

(1) Those items as specified in OAR 660-011-0010(1);

(2) Whether the plan contains a copy of all agreements required under OAR 660-011-0010 and 660-011-0015; and

(3) Whether the public facility plan is consistent with the acknowledged comprehensive plan.

Stat. Auth.: ORS 183 & ORS 197

Stats. Implemented: ORS 197.712
Hist.: LCDL 4-1984, f. & ef. 10-18-84

660-011-0060**Sewer Service to Rural Lands**

(1) As used in this rule, unless the context requires otherwise:

(a) "Establishment of a sewer system" means the creation of a new sewage system, including systems provided by public or private entities;

(b) "Extension of a Sewer System" shall have the same meaning as stated in Goal 11;

(c) "No practicable alternative to a sewer system" means a determination by DEQ or the Oregon Health Division, pursuant to criteria in OAR 340, Division 071, and other applicable rules and laws, that an existing public health hazard cannot be adequately abated by the repair or maintenance of existing sewer systems or on-site systems or by the installation of new on-site systems as defined in OAR 340-071-0100;

(d) "Public health hazard" means a condition whereby it is probable that the public is exposed to disease-caused physical suffering or illness due to the presence of inadequately treated sewage;

(e) "Sewage" means the water-carried human, animal, vegetable, or industrial waste from residences, buildings, industrial establishments or other places, together with such ground water infiltration and surface water as may be present;

(f) "Sewer system" means a system that serves more than one lot or parcel, or more than one condominium unit or more than one unit within a planned unit development, and includes pipelines or conduits, pump stations, force mains, and all other structures, devices, appurtenances and facilities used for treating or disposing of sewage or for collecting or conducting sewage to an ultimate point for treatment and disposal. The following are not considered a "sewer system" for purposes of this rule:

(A) A system provided solely for the collection, transfer and/or disposal of storm water runoff;

(B) A system provided solely for the collection, transfer and/or disposal of animal waste from a farm use as defined in ORS 215.303.

(2) Except as provided in sections (3) and (4) of this rule, and consistent with Goal 11, a local government shall not allow:

(a) The establishment of new sewer systems outside urban growth boundaries or unincorporated community boundaries;

(b) The extension of sewer lines from within urban growth boundaries or unincorporated community boundaries in order to serve uses on land outside those boundaries;

(c) The extension of sewer systems that currently serve land outside urban growth boundaries and unincorporated community boundaries in order to serve uses that are outside such boundaries and are not served by the system on the date of this rule.

(3) Components of a sewer system that serve lands inside an urban growth boundary (UGB) may be placed on lands outside the boundary provided that the conditions in subsections (a) and (b) of this section are met, as follows:

(a) Such placement is necessary to:

(A) Serve lands inside the UGB more efficiently by traversing lands outside the boundary;

(B) Serve lands inside a nearby UGB or unincorporated community;

(C) Connect to components of the sewer system lawfully located on rural lands, such as outfall or treatment facilities; or

(D) Transport leachate from a landfill on rural land to a sewer system inside a UGB; and

(b) The local government.

(A) Adopts land use regulations to ensure the sewer system shall not serve land outside urban growth boundaries or unincorporated community boundaries, except as authorized under section (4) of this rule; and

(B) Determines that the system satisfies ORS 215.296(1) or (2) to protect farm and forest practices, except for systems located in the subsurface of public roads and highways along the public right of way.

(4) A local government may allow the establishment of a new sewer system, or the extension of an existing sewer system, to serve land outside urban growth boundaries and unincorporated community boundaries in order to mitigate a public health hazard, provided that the conditions in subsections (a) and (b) of this section are met, as follows:

(a) The Oregon Department of Environmental Quality (DEQ) or the Oregon Health Division initially:

(A) Determines that a public health hazard exists in the area;

(B) Determines that the health hazard is caused by sewage from development that existed in the area on the date of this rule;

(C) Describes the physical location of the identified sources of the sewage contributing to the health hazard; and

(D) Determines that there is no practicable alternative to a sewer system in order to abate the public health hazard; and

(b) The local government, in response to the determination in subsection (a) of this section, and based on recommendations by DEQ and the Oregon Health Division where appropriate:

(A) Determines the type of sewer system and service to be provided, pursuant to section (5) of this rule;

(B) Determines the boundaries of the sewer system service area, pursuant to section (6) of this rule;

(C) Adopts land use regulations that ensure the sewer system is designed and constructed so that its capacity does not exceed the minimum necessary to serve the area within the boundaries described under paragraph (B) of this subsection, except for urban reserve areas as provided under OAR 660-021-0040(6);

(D) Adopts land use regulations to prohibit the sewer system from serving any uses other than those existing or allowed in the identified service area on the date the sewer system is approved;

(E) Adopts plan and zone amendments to ensure that only rural land uses are allowed on rural lands in the area to be served by the sewer system, consistent with Goal 14 and OAR 660-004-0018, unless a Goal 14 exception has been acknowledged;

(F) Ensures that land use regulations do not authorize a higher density of residential development than would be authorized without the presence of the sewer system; and

(G) Determines that the system satisfies ORS 215.296(1) or (2) to protect farm and forest practices, except for systems located in the subsurface of public roads and highways along the public right of way.

(5) Where the Department of Environmental Quality (DEQ) determines that there is no practicable alternative to a sewer system, the local government, based on recommendations from DEQ, shall determine the most practicable sewer system to abate the health hazard considering the following:

(a) The system must be sufficient to abate the public health hazard pursuant to DEQ requirements applicable to such systems; and

(b) New or expanded sewer systems serving only the health hazard area shall be generally preferred over the extension of a sewer system from an urban growth boundary. However, if the health hazard area is within the service area of a sanitary authority or district, the sewer system operated by the authority or district, if available and sufficient, shall be preferred over other sewer system options.

(6) The local government, based on recommendations from DEQ and, where appropriate, the Oregon Health Division, shall determine the area to be served by a sewer system necessary to abate a health hazard. The area shall include only the following:

(a) Lots and parcels that contain the identified sources of the sewage contributing to the health hazard;

(b) Lots and parcels that are surrounded by or abut the parcels described in subsection (a) of this section, provided the local government demonstrates that, due to soils, insufficient lot size, or other conditions, there is a reasonably clear probability that onsite systems installed to serve uses on such lots or parcels will fail and further contribute to the health hazard.

(7) The local government or agency responsible for the determinations pursuant to sections (4) through (6) of this rule shall provide notice to all affected local governments and special districts regarding opportunities to participate in such determinations.

(8) Applicable provisions of this rule, rather than conflicting provisions of local acknowledged zoning ordinances, shall immediately apply to local land use decisions filed subsequent to the effective date of this rule.

[ED. NOTE: The goals referred to or incorporated by reference in this rule are available from the agency.]

Stat. Auth.: ORS 183 & ORS 197

Stats. Implemented: ORS 197.712

Hist.: LCDD 4-1998, f. & cert. ef. 7-28-98

660-011-0065

Water Service to Rural Lands

(1) As used in this rule, unless the context requires otherwise:

(a) "Establishment" means the creation of a new water system and all associated physical components, including systems provided by public or private entities;

(b) "Extension of a water system" means the extension of a pipe, conduit, pipeline, main, or other physical component from or to an existing water system in order to provide service to a use that was not served by the system on the applicable date of this rule, regardless of whether the use is inside the service boundaries of the public or private service provider.

(c) "Water system" shall have the same meaning as provided in Goal 11, and includes all pipe, conduit, pipeline, mains, or other physical components of such a system.

(2) Consistent with Goal 11, local land use regulations applicable to lands that are outside urban growth boundaries and unincorporated community boundaries shall not:

(a) Allow an increase in a base density in a residential zone due to the availability of service from a water system;

(b) Allow a higher density for residential development served by a water system than would be authorized without such service; or

(c) Allow an increase in the allowable density of residential development due to the presence, establishment, or extension of a water system.

(3) Applicable provisions of this rule, rather than conflicting provisions of local acknowledged zoning ordinances, shall immediately apply to local land use decisions filed subsequent to the effective date of this rule.

[ED. NOTE: The goal referred to or incorporated by reference in this rule is available from the agency.]

Stat. Auth.: ORS 183 & ORS 197

Stats. Implemented: ORS 197.712

Hist.: LCDD 4-1998, f. & cert. ef. 7-28-98

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SANITARY SEWER FACILITY PLAN

City of Tigard

Engineering Department

August 2004

DRAFT

1. INTRODUCTION

1.1 Purpose

The purpose of this Plan is to guide the expansion of the existing sanitary sewer system to meet the City's existing and future needs and to ensure the City's ability to sustain a fully maintained sewer system that provides excellent sewer service now and upon full development. This will require accomplishing the following objectives:

- Ensure that lines constructed for new developments can be readily extended to serve other areas within the basin as development occurs
- Provide a guide for providing sewers to developed but unsewered areas within the study area
- Identify portions of the future collection system that should be considered for a capital improvement project
- Determine adequacy of each existing line to meet the demands from the area it serves when fully developed
- Provide a maintenance plan to address the existing system, the additions to the system as growth and development occur, and the system once full development has been attained.

1.2 Background

In 1970, Washington County and the Cities within the Tualatin River basin, including Tigard, entered into an agreement that established Unified Sewerage Agency (USA), recently renamed Clean Water Services (CWS), as the regional sewerage authority. The agreement provided that the Cities and County would enforce construction standards, rules and regulations, and rates and charges adopted by CWS governing the use of and connection to the sanitary sewerage system. In return, CWS agreed to provide and maintain sewer lines with a diameter of twenty-four inches or greater, as well as pump stations and treatment facilities. In addition, CWS assumed responsibility for the planning of wastewater collection in the Tualatin River basin.

CWS's original Sanitary Sewer Master Plan was issued in 1969 and updated in 1985. In 1995, a *Collection Systems Needs Analysis* was prepared to create a computer model that was used establish a prioritized list of pipelines recommended for improvement. In 1998, a facility plan was prepared for the Durham Treatment Plant.

CWS's current master plan for wastewater collection in the Tualatin River basin, including the City of Tigard, is the *2000 Sewer Master Plan Update*. This plan analyzed all sewers that are at least ten inches in diameter and eight-inch sewers with known capacity problems. In addition, trunk lines (fifteen-inch or greater diameter) required to serve areas without service were identified. The County and the cities remain responsible for the planning of the remaining smaller lines. These smaller lines within the City are the subject of this Plan.

Developed residential areas may be provided with sewers as shown on the Facility Plan Maps through the Neighborhood Sewer Extension Program established by City Council in 1996. Under the program, the City of Tigard installs public sewers to properties within a project area designated as a Reimbursement District. At the time the property owner connects to the sewer, the owner would reimburse the City for a fair share of the total project cost. There is no requirement to connect to the sewer or pay any fee until connection is made.

On June 12, 2001, City Council established the Citywide Sewer Extension Program to systematically extend sewer service to all developed but unserved residential lots in the City. At the beginning of the program, 677 residential lots were identified as needing sewer service. The projects were divided into manageable segments and were tentatively scheduled for design and construction over a 5-year period beginning with Fiscal Year 2002-03. By the end of FY 2003-04, 195 sewer laterals have been installed with the remaining 482 services scheduled for installation during the 3-year period from FY 2004-05 through FY 2006-07. The projects listed in the 5-year program are expected to be completed by the end of FY 2006-07. Once the program is concluded, any remaining lots would be served based upon interest shown by the residents and would be dependent upon availability of funding at that time.

To encourage owners to promptly connect to the sewer once it is available, City Council established the Neighborhood Sewer Reimbursement District Incentive Program on October 13, 1998. The July 10, 2001 revisions to the program limit the amount any residential owner is required to pay for a share of the public sewer to \$6,000 up to a maximum of \$15,000 if the connection is completed within three years from when it was first available. On October 14, 2003, City Council approved additional incentives that allow owners to defer payment of the amount in excess of \$15,000 until the lots are developed.

Reimbursement districts for commercial areas may also be established through the Commercial Area Sewer Extension Program. Unlike the Neighborhood Sewer Extension Program, the Incentive Program is not available and there is no schedule of projects. Projects are scheduled in accordance with the interest expressed by owners.

Partially developed residential and commercial areas will be provided with service as part of the privately constructed public improvements required for further development of the areas.

1.2 Summary of Findings

- The *Collection System Master Plan Update- 1995* found that all-existing lines in the City of Tigard have adequate capacity to accommodate anticipated development.
- Projects required to provide a properly operating system have been completed or scheduled. Currently, there are no lines in a condition that requires replacement or extensive repairs. However, the line serving the Lincoln and Commercial Street area appears to have excessive inflow that should be investigated and reduced.
- The Neighborhood Sewer Extension Program is expected to provide service to all fully developed residential areas that remain without service.
- Privately constructed public sewers are expected to provide service to areas other than fully developed residential areas. These areas include developing residential and commercial areas. Construction will occur as required to accommodate development.
- Lines remaining to be constructed are of small diameter that will be operated and maintained by the City. No larger proposed lines provided by Clean Water Services are required.

2. EXISTING FACILITIES

The condition of these City-maintained facilities has been evaluated over the past seven years by video inspection of the pipe interiors. The entire system has been inspected as a result of this routine program. Damaged or improperly-constructed facilities were repaired as encountered resulting in a system that is generally rated in good to fair condition. City staff has prepared an index map of existing facilities from as-constructed drawings. The map is continuously revised as as-constructed drawings are received. The locations of all sewer lines within the City are shown schematically on the included Sanitary Sewer Facility Plan Map.

3. SYSTEM EVALUATION

The system was evaluated by first determining the adequacy of the capacity of existing lines to meet expected demands. Next, the sewer extensions necessary to serve areas currently unsewered were determined.

3.1 Capacity of Existing Lines

Lines within the City that are at least ten inches in diameter and smaller lines with suspected capacity deficiencies were evaluated by the model developed for the *2000 Master Plan Update*. The lines identified as having possible capacity deficiencies are described in Appendix A.

Using the criteria shown in TABLE 1, the remaining smaller lines were inspected to determine the adequacy of the lines to meet the expected demands from the served areas. Anticipated wastewater flows into the sewer are expressed in gallons per acre per day (gpac). The character of the various sources of flows shown are described in the *Master Plan Update- 1995*. Domestic flows are determined by using 70 gallons per capita per day as suggested by the Master Plan and 2.3 persons per housing unit as reported by the Portland State University Population Research and Census Center. The rate of inflow/infiltration is the rate expected of a system in good to fair condition without storm drainage connections. All of the smaller existing lines in the City have adequate capacity for expected development.

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TABLE 1

WASTEWATER SOURCES

<u>ZONING</u>	<u>gpad</u>	<u>ZONING</u>	<u>gpad</u>
R-1	161	Commercial	1,000
R-2	322	Industrial	3,000
R-3.5	564	Inflow/Infiltration	1,000
R-4.5	725		
R-7	1,127	Residential Peaking factor:	
R-12	1932	$18 + P\frac{1}{2}$ where P is population	
R-25	4025	$4 + P\frac{1}{2}$ in thousands	
R-40	6440		

3.2 Required Extensions

Sewer extensions required to serve fully developed residential areas that remain without service are shown on the Facility Plan Map. Sewer extensions required for the other areas that remain without service, will be privately constructed as development occurs.

The *Sewer Master Plan Update- 1995* found that none of these extension will require lines fifteen inches in diameter or larger. Consequently, all remaining sewer extensions will be planned and maintained by the City.

3.3 Recommended Capital Improvement Projects

Appendix A describes the lines identified in the *2000 Sewer Master Plan Update* suspected of having inadequate capacity. Flow monitoring should be conducted on these lines to determine the extent of the inadequacy and to prepare a prioritized list of capacity improvements. Table 2 shows the estimated cost of the improvements currently required and required at buildout.

TABLE 2			
Project	Estimated Cost (\$1000)		
	Current	Buildout	Total
Bonita Trunk	73	496	569
Durham Dr Lateral	0	49	49
East Tigard Trunk	230	368	598
Elmwood Lateral	0	204	204
Hiteon Trunk	0	84	84
Leron/Tigard Trunk	591	0	591
Summerfield Trunk	0	7	7
Katherine Lateral	434	112	546
Total	1,328	1,320	2,648
Estimated costs have been escalated to February 2004 (ENR Index 6861) and include an additional 30% for engineering, administration and contingency.			

4. MAINTENANCE

The current agreement with CWS sets out the required scheduled maintenance programs and period each program must be completed for the entire system. These requirements are summarized in TABLE 3.

TABLE 3	
PROGRAM	PERIOD
Video Inspection	7 Years
Line Cleaning and Repair	3 Years
Manhole Inspection and Rehabilitation	3 Years

The video inspection program identifies deficiencies that may be considered for correction through the Capital Improvement Program. Currently, all proposed projects are included in the Capital Improvement Program.

5. RECOMMENDATIONS

- 5.1** Determine the sources of inflow to the line in the Lincoln and Commercial Street area. Develop an inflow reduction plan.
- 5.2** Conduct flow monitoring on lines identified in Appendix A as having inadequate capacity. The results of the flow monitoring should be used to prepare a prioritized list of capacity improvement projects.
- 5.3** Continue the Neighborhood Sewer Extension Program, with the adopted schedule of projects, to provide service in developed but unserved residential areas. As with undeveloped areas, sewer extension should be installed as shown on the Facility Plan Maps.

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Appendix A

The 2000 Sewer Master Plan Update recommends capacity improvements to the following lines;

Bonita Trunk (D-2) - The 1995 Plan identified three lines between consecutive manholes that are without adequate capacity. However, following 0.12 inch of rainfall, inspection revealed that only a very small portion of the capacity of these lines was being used. Since then, there has been significant development in the area and City Public Works staff has reported near capacity flows. Recommendation: Conduct flow monitoring.

Durham Rd. Lateral (D-6) - This line is only a concern at build-out and it is currently fully developed. Consequently, the capacity of the line will remain adequate unless the area is redeveloped with increased density. Recommendation: Low priority flow monitoring.

East Tigard Trunk (D-8) - This is the line that runs along Red Rock Creek serving the Triangle and has been improved at the railroad crossing. Public Works staff has reported near capacity flows. Recommendation: Conduct flow monitoring.

Elmwood Lateral (D-10) - The concern here is capacity at build-out and the area is becoming fully developed. Public Works staff has reported high flows; inflow is suspected. Recommendation: Conduct flow monitoring and investigate inflow.

Hiteon Trunk (D-14) - This line is also only a concern at build-out. Additional development in the portion of Beaverton served by this line will result in increased flow. Recommendation: Low priority flow monitoring and development in this portion of Beaverton should be monitored.

Leron Trunk (D-15a) - This line is shown to be currently of insufficient capacity and no flow monitoring has been conducted. Recommendation: Conduct flow monitoring.

Leron Trunk (D-15b) - In addition to be shown as currently of insufficient capacity, this area is known to have excessive inflow. Recommendation: Investigate for inflow.

Summerfield Trunk (D-29) - The concern here is capacity at build-out and the area is fully developed. So long as the served area remains as currently developed, capacity problems are not expected. Recommendation: Low priority flow monitoring.

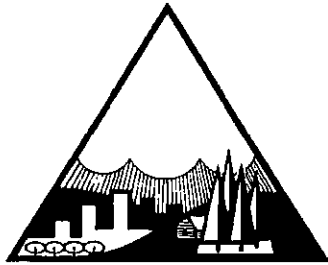
Katherine St. Lateral (D-30) - This 12-inch line was identified in the 1995 Update as one requiring further investigation. It serves a developing portion of the Walnut Island. CWS installed a flow monitoring station from November 20, 1998 through December 22, 1998 to record wet weather flows. Peak rainfall of 2.18 inches occurred on November 25, 1998 resulting in less than 3 inches of peak flow in the pipe and replacement of the line was not further considered. Since then, several residential developments have been constructed that have caused significantly increased flows. Recommendation: Conduct flow monitoring.

In addition to the deficiencies identified in the *2000 Sewer Master Plan Update*, City Public Works staff has reported that the following lines appear to be approaching their capacity.

- Garrett Street north to the Fanno Creek Interceptor
- SW 128th Avenue near Winterlake Drive
- Winterlake Trunk

These areas are shown the Plan Map.

DRAFT



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Storm Drainage Facility Plan

Draft

City of Tigard
Engineering Department

August 2004

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Summary

The Fanno Creek Watershed Management Plan (June 1997) is the principal plan currently guiding drainage planning in the City. The Plan was prepared by CWS (Clean Water Services) for all jurisdictions within the Fanno Creek Basin. The Plan includes an inventory of drainage structures and a hydraulic model evaluation of the adequacy of their capacity. These facilities are shown on the Drainage Facility Plan Map by hydraulic model node number and are tabulated on Table 1 in order of priority of replacement and with the facility required to correct the deficiency. The hydraulic model was used to determine required facility improvements and to produce a flood plain map that is currently being used to regulate development in the flood plain and for flood insurance purposes.

The projects recommended by the Plan for the City of Tigard are described in Table 2 and are shown on the Storm Drainage Facility Plan Map.

The highest priority projects are replacement of bridges, which the hydraulic model has determined have inadequate openings underneath to pass the flows of the base flood. These bridges should be replaced with higher and longer bridges that are less likely to flood. Proposed bridge replacements across the main stem of Fanno Creek at Tigard Street, Hall Boulevard, and North Dakota Street are recommended. The remaining high priority project is the replacement of the Summer Creek culvert crossing of SW 121st Avenue with a bridge. Because of the high cost of bridge replacement, it is expected that bridges will only be replaced if required for structural reasons or reasons other than flood mitigation that provide an additional funding source. At this point, all the bridges recommended for replacement are structurally sound, do not qualify for federal or state funding, but are sufficiently deteriorated to qualify for rehabilitation funding. Rehabilitation of the existing bridges will not suffice.

There are also two low priority bridge replacement projects along Ash Creek at the Oak Street and Hall Boulevard crossings. These low priority projects are only recommended if the bridges are replaced for reasons other than flood protection.

The remaining Fanno Creek bridges; Main Street, Grant Avenue and Tiedeman Street, are more recently constructed and were found to have adequate flood protection.

The estimated cost of all bridge replacement projects is \$4.7 million. Drainage funding should be combined with other funding to accomplish bridge replacement projects.

The medium priority projects are replacement of culverts along tributary streams with inadequate capacity. Fanno Creek tributary crossings at Hall Boulevard and Frewing Street, as well as a Summer Creek tributary crossing of Walnut Street are recommended. The estimated cost of all culvert replacement projects is \$67,000.

The low priority culvert replacement projects shown on Table 2 are not recommended as proposed improvements.

Introduction

Purpose

The purpose of the Plan is to guide the planning process for drainage and flood control. This effort is directed towards two distinct drainage systems. First is the minor system consisting of ditches, streets and gutters, storm sewers and smaller open drainageways. Current standards this system to accommodate the 25-year storm. Second is the major system consisting of larger drainageways and streams that are expected to convey the 100-year storm. Previous planning efforts have been mostly directed towards the major system.

Institutional Background

On July 27, 1989, the former Portland Area Local Government Boundary Commission approved the Unified Sewerage Agency (USA), recently renamed Clean Water Services (CWS) as the regional storm water service provider within the boundaries of CWS. CWS submitted an initial Surface Water Management (SWM) program to the Boundary Commission that included a comprehensive management program, watershed planning, engineering, public information, financial management and legal services.

During February 1990, CWS submitted the *Surface Water Management Plan* on behalf of eleven cities within the service area, including Tigard, and Washington County. The purpose of the plan was to provide greater detail on the program to be implemented by CWS and to meet the planning requirements of the Oregon State Department of Environmental Quality (DEQ). The DEQ had set Total Maximum Daily Loads (TMDLs) for discharges of total phosphorus to the Tualatin River. As the regional stormwater service provider, CWS was responsible for preparation of this plan to meet TMDL requirements. This plan and an agreement with DEQ established CWS as the Designated Management Agency for Watershed management throughout the CWS service area.

In addition to meeting the requirements for TMDLs, the plan also included flood control and recommended that subbasin plans, including the Fanno Creek subbasin, be prepared. The resulting *Fanno Creek Watershed Management Plan* (June 1997) is the principal plan currently guiding drainage planning in the City. The Plan was prepared for CWS and has been adopted by all jurisdictions within the Fanno Creek Watershed. The Plan includes the entirety of the City of Tigard except for the southwest portion of the City that drains directly to the Tualatin River. The Management Plan recommends projects and programs to improve the quality of stream water and reduce flooding. In addition, a revised computer model of the flood plain was prepared for flood insurance and development regulation in accordance with the National Flood Insurance Act of 1968 as administered by the Federal Emergency Management Agency. The resulting hydraulic information may be used to determine the required hydraulic capacity of structures proposed by the plan.

A hydrologic flow model (HEC-1) was used to create the map for the *Fanno Creek Watershed Flood Insurance Restudy*. The final draft of the map was completed on October 1, 2000 and has been submitted to the Federal Emergency Management Agency for approval. Once approved, it will define the flood plain for all jurisdictions within the Fanno Creek basin for flood insurance purposes and development regulation.

The City of Tigard has adopted a more restrictive floodway (zero-rise) than other jurisdictions within the basin. Consequently, the City contracted for the preparation of a map showing the zero-rise floodway and computed by the hydrologic flow model. The map was completed on March 20, 2000 and is available for development regulation.

The first category of projects in the *Fanno Creek Watershed Management Plan* is Bridge and Culvert Replacement. The Plan recommends bridge replacement for Fanno Creek at SW Tigard Street, SW North Dakota, SW Hall Boulevard, and three others bridges outside the City. Design criteria for these facilities could be provided as part of the revised floodplain computer model. The improvements recommended in this Facility Plan are based on this portion of the *Fanno Creek Watershed Management Plan*.

The Plan also recommends nonstructural projects and programs aimed at improving water quality by protecting and improving wetlands, streams, and greenways. Implementation will be in cooperation with others cities and agencies with CWS as the lead agency.

Finally, the Plan recommends water quality and flood prevention structural projects. The water quality projects are intended to treat run-off or prevent stream bank erosion. Flood prevention is expected by regrading floodplains so that low intensity storms would flow over streams banks into the floodplain and reduce peak flows. The City through its separate Surface Water Management Program will accomplish these projects.

Through an agreement with CWS in June 25, 1990, the City agreed to enforce the orders promulgated by CWS. CWS, in cooperation with the Cities, agreed to "adopt policies, standards, specifications, and performance criteria necessary for the proper and effective operation of CWS and to comply with State and Federal permits laws and regulations." CWS has prepared the storm drainage construction and design standards currently enforced in the City as a result of this agreement.

Previous Plans

The *City of Tigard Master Drainage Plan – July 1981* was the City's master plan before the adoption of the *Fanno Creek Watershed Management Plan*. This earlier plan was primarily concerned with the major open drainage system. A computer model was used to determine current and future floodwater surface elevations and to prepare a floodplain map that was used for the City's Flood Insurance Program.

In addition, the *Ash Creek Drainage Master Plan – January 1986* was prepared for Washington County Department of Land-Use and Transportation before an annexation that included the Ash Creek basin.

Existing Drainage Facilities

Existing minor drainage facilities are shown on the Storm Drainage Facility Plan Map. Where constructed as part of full street improvements, the facilities are generally adequate. In areas with partial or substandard street improvements, drainage is generally accomplished with roadside ditches and culverts. These facilities are frequently inadequate resulting in flooded streets and private property.

As part of the *Fanno Creek Watershed Management Plan*, the major drainage facilities were identified during the delineation of the drainage system as those facilities conveying flows from an area of more than about 100 acres. These facilities are shown on Storm Drainage Facility Plan Map by node number and are tabulated on Table 1 in order of priority and with the replacement facility required to correct the deficiency. The high priority projects, bridge replacement, are likely to be too costly to be funded by drainage funding alone. There are no high priority culvert or other major structure replacement projects. A cross-reference (four digit number) to the 1981 Master Plan is also provided.

Draft

Major Structure Inventory

Table 1

1981 Master Plan	HEC-1 Nodes	Priority	Current Size	Current Type	Proposed Replacement Structure
6900	& FM2	High	84"X72"	BRIDGE	higher, longer bridge, N. Dakota
6800	& FM1	High		BRIDGE	higher, longer bridge, Tigard St.
600	& AS7T	High		RCB	Washington County
8300	& FL6	High		BRIDGE	higher, longer bridge, Hall Blvd.
2200	& SM3	Medium	2-66"	CMP	Bridge
4400	& KR1S1	*	3-36"	CMP	Walnut St. Improvements
5220	FL9N	Medium	36"	CMP	36" CONC
5230	FL9N	Medium	36"	CMP	30" CONC
5240	FL9N	Medium	24"	RCP	30" CONC
500	& AS7	Medium	54"	CMP	3-8'X3' BOX
1000	& AS7E1	Medium	72"	CMP	2-6'X3' BOX
2900	& FL7W1	Medium	30"	CMP	3-5'X2' BOX
2800	FL7W2	Medium	30"	RCP	2-30" CONC
5000	& FL5S2	Medium	24"	CMP	36" CONC
3900	& BL1	Medium	6'X5.8'	CONC.ARCH	2-6'X5' BOX
3800	& BL1	Medium	6'X5.8"	CONC.ARCH	2-6'X5' BOX
	& AS4E3	Medium	30"	RCP	2-6'X2' BOX
	& BL2E	Medium	90"	CMP	3-6'X4' BOX
4300	& KR2	Low	30"	CMP	2-30" CONC
4700	DD3W2	Low	24"	CMP	30" CONC
1600	& AS4E2	Low	2-24"	RCP	3-6'X2' BOX
	& RR5	Low	2-30"	CMP	3-6'X3' BOX
	& RR6	Low	42"	CMP	2-36" CONC
3200	& RR2	Low	2-54"	CMP	2-8'X4' BOX
3420	& RR1	Low	96"	CMP	3-8'X5' BOX
3410	& RR1	Low	72"X72"	CONC.ARCH	4-7'X4' BOX
2600	& DD2	Low	48"	CMP	2-4'X3' BOX
5500	& FL6S1	Low	24"	RCP	3-24" CONC
4900	FL5W	Low	12"	RCP	2-24" CONC
	AS7E2N	Low	30"	CONC	2-36" CONC
	AS4E4	Low	24"	PVC	3-30" CONC
	& FL3E	Low	12"	CONC.	30" CONC
	& FL6S2	Low	24"	CMP	2-24" CONC
	& DD2E	Low	60"	CONC.	2-6'X3' BOX
	& FL8N	Low	24"	CONC.	2-30" CONC
	& AS2N1	Low	42"	CMP	36"
	& SM7S3	Low	18"	CONC.	2-24" CONC
Structures of Adequate Capacity					
4000	& HN2		2-48"	CMP	
2300	SM1S		18"		
4200	& KR1S1		30"	RCP	
4100	& KR3		SUBMER.		
2000	& SM6			BRIDGE	
2500	& DD3W1		36"-24"	CMP	
4820	DD5		24"	CMP	
4810	& DD4		48"	CMP	
1700	& AS2			BRIDGE	
6700	& FLA			BRIDGE	
2700	& DD1		48",36"	CMP	
4500	& SM1				
6600	& FL9N			BRIDGE	Grant St.
6400	& FL8N			BRIDGE	

1981 Master Plan	HEC-1 Nodes	Priority	Current Size	Current Type	Proposed Replacement Structure
1500	& AS3		2-108"X144"	RCB	
1300	& AS5		2-60"X60"	RCB	
1400	& AS5		2-60"X60"	RCB	
1200	& AS6		60"	CMP	
	& AS7E2		42"	CAP	
	& RR4		2X48"	CMP	
3300	& RR3		120"X72"	RCB	
3500	FL5S		30"	CMP	
5100	& FL5S1		60"	CMP	
	& FL5S1		60"	CMP	
6200	& FL5			BRIDGE	
3420	& FL4E		18"	CMP	
5410	& FL4E		12"	RCP	
6100	& FL3SE			BRIDGE	
6000	& FL2			BRIDGE	
	& DD3W1		2-36"	CMP	
	DD3W2		48"	CMP	
	& AS7E3		2-48"	CMP	
	SM4LK			WIER	
	& DD3		2-48"X30"	CMP	
	& DD3		3-30"	CMP	
	AS1N		42"	CMP	
	& HN2		5-18"	CMP	
	& RR5		48"	CMP	
	& FL6S2		36"	CONC.	
	& SM7S1		42"	ALM	
	& SM7S2		18"	CONC.	
	& SM7S2		2-30"	CONC.	
	& SM7S2		2-30"	CONC.	
	& KR3W		2-36"	CMP	
	KR4		30"	CMP	
	KR1S3		36"	RCP	

* A problem with this node is being resolved with PWR.

Recommended Improvements

The *Fanno Creek Watershed Management Plan* based project recommendations on the expected cost of the project, the expected reduction in flow deficiency that would be provided and the type of flood risk being mitigated. The recommended projects have been grouped by priority. Funding for these projects is available through the Surface Water Management Fund.

The highest priority projects are to replace bridges with openings underneath which are inadequate to pass the flows of the base flood. *Bridge Capacities along Fanno, Summer and Ash Creeks (Attachment 1)* depicts the stream cross-sections at the bridges required to pass the flows of the base flood. Generally, these cross-sections require replacement bridges that are longer and higher. Because of the high cost of bridge replacement, it is expected that bridges will only be replaced if required for structural reasons or reasons other than flood mitigation that provide an additional funding source. At this point, all the bridges recommended for replacement are structurally sound, do not qualify for federal or state funding, but are sufficiently deteriorated to qualify for rehabilitation funding. Rehabilitation of the existing bridges will not suffice.

The medium priority projects are replacing culverts of inadequate capacity. Culvert replacement projects should be evaluated for the need of fish passage as required by the Endangered Species Act. Table 2 shows the projects and their recommended priority. These culverts are generally across streets that are not fully improved. The recommended culvert replacement should be considered as part of projects to improve the street. Projects that provide a low benefit at a high cost are not recommended for construction and are not included in the table.

Draft

**Proposed Improvements
Table 2**

Creek	Node #	Description	Existing Structure				Proposed CIP Structure					Capacity Cfs	Installed Cost	Priority Rank	
			Deck Capacity NOW	FUTURE	Low Chord NOW		Lower Chord	Proposed Structures		Opening Width					
High-Priority (Bridge Replacement) Projects															
Fanno	& FMI	Tigard St	<2 YR	<2 YR	(Def)		158 ft	160 ft	90 ft		2,360	\$ 1,292,000	High		
Fanno	& FL6	Hall Blvd lower ODOT	<5 YR	<2 YR	(Def)		144 ft	146 ft	74 ft		3,275	\$ 1,098,000	High		
Fanno	& FM2	North Dakota St	5	0.5	(Def)		158 ft	160 ft	90 ft		2,360	\$ 942,000	High		
Summer	&SM3	SW 121st Ave.	<2 YR	<2 YR	(Def)		168.5 ft	170.5 ft	29 ft		1,830	\$ 498,000	High		
Ash	&AS5	Oak St	<10 YR	2 YR	(Def)		170.5 ft	172 ft	45 ft		1,220	\$ 432,000	Low		
Ash	&AS7	Hall Blvd	<25 YR	2 YR	(Def)		170.5 ft	172 ft	25 ft		927	\$ 392,000	Low		
											TOTAL	\$ 4,654,000			
			Def. Crit.	Capacity	Defic.	Design Criteria									
			Year	Cfs	Cfs	Year	Flow Cfs, 2040	#	W	H	L	Inlet	Type		
Medium-Priority Culvert Projects															
Fanno Tr	FL9N	RR Upper	100	13.4	16	100	37		3		40	PROJ	CONC	38 \$ 7,000 1	
Fanno Tr	FL4E	RR	100	4.8	48	100	53	4	2		40	MITER	CONC	56 \$ 17,100 2	
Summer Tr	& KRISI	Walnut St	10	0	62	25	120		4		50	PROJ	CONC	122 \$ 11,800 3	
Fanno Tr	& FL552	Hall Blvd	25	63.4	48	50	111		3		52.5	PROJ	CONC	127 \$ 9,200 4	
Ash Tr	& AS4E3	82nd Ave	100	49.9	71	100	121	2	6	2	40	HW4S	BOX	144 \$ 32,200 5	
Fanno Tr	FL4E	RR	100	13.1	40	100	53		2.5		150	PROJ	CONC	55 \$ 21,000 6	
Fanno Tr	& FL7WI	Frewing St	100	34.4	49	100	83	3	5	2	40	HW45	BOX	94 \$ 40,800 7	
Fanno Tr	FL7W2	Garrett St	100	49.9	8	100	58	2	2.5		25	PROJ	CONC	62 \$ 7,000 8	
Ball	& BLI	74th Ave + RR	5	432.8	287	25	720	2	6	5	40	H45	BOX	746 \$ 49,800 9	
Ball	& BLI	RR	5	432.8	287	25	720	2	6	5	40	H45	BOX	746 \$ 49,800 10	
Ball	& BL2E	Bonita Road	100	493.2	268	100	761	3	6	4	150	H4S	BOX	881 \$ 241,800 11	
Summer Tr	SMIS	Walnut St	10	16.2	30	25	46		2.5		50	PROJ	CONC	54 \$ 7,000 12	
Summer	& SM3	121st Av	10	653.2	412	25	1,065	2	10	6	50	HW	Box	1073 \$ 104,400 13	
											TOTAL	\$ 598,900			
DESIGN YEAR														PROPOSED STRUCTURES	
Smallest design event that can be conveyed while still meeting the design criteria without flooding itself or upstream structures														#	Number of identical barrels
														H	Height of opening
														W	Width of opening (if different from height)
OTHER NOTES														INLET	
Installed costs have been adjusted to the January 2003 ENGR Index of 6581.														HW45	Headwall 45° from sides
Bridge Replacements (6): 6581/ 6391 (Sep. '01) = 1.0297														HW90	Headwalls square to sides
Culvert Projects(13): 6581/ 5860 (June '97) = 1.1230														Mitre	Headwall mitred (conformed) to slope
														Proj	Inlet project from slope on headwall

Maintenance

The current routine maintenance programs and the time required to complete the maintenance elements for the entire system are shown in Table 3. Maintenance responsibilities are shared with CWS as described in an agreement (Attachment 2).

Table 3
Scheduled Maintenance

Program	Cycle
Video Inspection of pipe interiors	7 Years
Line Cleaning and Repair	4 Years
Manhole/Catch Basin Inspections and Cleaning	1 Year
Water Quality Facility Inspection, Maintenance	Monthly
Roadside Ditching and Inspection	5 Years
Leaf Pickup	Seasonal

Non-routine maintenance requiring prompt response by an independent contractor is funded through the City's Drainage Major Maintenance Program.

In addition, bridges are inspected for debris accumulation during periods of high flow. The hydraulic capacities report (Attachment 1) specifically recommends monitoring debris accumulation at the Ash Creek bridges.

Recommendations

Minor system

1. Improvements to drainage should be provided as private or public street improvements are constructed.
2. A prioritized list of projects to correct drainage deficiencies resulting in property damage or hazards should be maintained. Projects should be initiated and completed as funding becomes available.
3. Additional facilities should be provided by development and street improvement projects.

Major System

1. Drainage funding should be combined with other funding to accomplish bridge replacement projects.
2. Medium priority culvert replacement projects should be completed as permitted by available funding. The need for fish passage must be considered in culvert replacement projects.
3. The identified facility deficiencies should be accounted for in the design of developments.

Draft

Glossary

Return Period- Flood flow is commonly defined by its return period or recurrence interval which signifies the average number of years within which a given flood will be exceeded. Flood events of a magnitude which are expected to be equaled or exceeded once on the average during any 10-, 50-, 100-, or 500- year period (recurrence interval) are particularly useful in describing flooding problems. These floods, commonly referred to as the 10-, 50-, 100-, or 500- year floods, have a 10, 2, 1 and 0.2 percent chance, respectively, of being equaled or exceeded during any year. Statistical methods are available to determine the chance of a given flood to occur over a given period. For instance, there is a 75 percent chance that the 100-year flood (1 percent chance of annual occurrence) will not be exceeded in the next 29 years.

Floodplain- a relatively flat or lowland area adjoining a stream or other body of water which has been or may be covered temporarily by floodwater. The 100-year flood has been adopted as the base flood for purposes of floodplain management measures. The area of the 100-year floodplain is divided into a zero-rise floodway and fringe.

Zero-rise floodway- the channel of the stream plus any adjacent floodplain areas that must be kept free of encroachment in order that the 100-year flood (base flood) is carried without increasing the flood height.

Zero-rise floodway fringe- the area between the floodway and the boundary of the 100-year flood. This is the portion of the floodplain that could be completely obstructed without increasing the water surface elevation of the 100-year flood. Alterations within the floodway fringe are regulated by Section 18.775.070 of the Community Development Code.

Draft

Appendix A

The Fanno Creek Watershed Management Plan, at Table A.13 presents medium-priority culvert projects throughout the basin. The projects within Tigard were reviewed in detail and included in Table 2. The following projects listed in Table A.13 were found to be not required and are not included in Table 2 as detailed here.

- Node FL9N

Proposed Project: Replacement of 24-inch culvert in Tigard Street with a 36-inch.

As part of improvements to Greenburg Rd. in 1990, the 24-inch line was abandoned and the flow was redirected to the newly constructed Greenburg Rd. line.

- Node FL4E

Proposed Project: Replace 12-inch railroad crossing with four 24-inch culverts and replace a 15-inch culvert with a 36-inch culvert.

Rather than 12 and 15-inch culverts there are 18 and 27-inch culverts with adequate capacity.

- Node &FL5S2

Proposed Project: Replace 24-inch across Hall Blvd. with a 36-inch.

ODOT has replaced this with an adequate culvert.

In addition, *The Fanno Creek Watershed Management Plan*, at Table A.13 listed five medium-priority culvert projects that are connected to undersized private or railroad storm drains:

- Node &AS4E3, Ash Creek tributary at 82nd Av.
- Node FL7W2, Fanno Creek tributary at Garrett St.
- Node &BL1, Ball Creek at 74th Av. and railroad
- Node &BL1, Ball Creek at railroad
- Node &BL2E, Ball Creek at Bonita Rd.

In addition to the right-of-way improvements shown on Table A.13, capacity improvements will also require improvements on private or railroad property. To account for these additional costs, these five culvert projects are entered on Table 2 as low-priority projects.

REPORT

BRIDGE CAPACITIES ALONG FANNO, SUMMER AND ASH CREEKS

Clean Water Services, Washington County, Oregon

Pacific Water Resources, Inc. (PWR) is pleased to submit this report to Clean Water Services of Washington County, Oregon, in satisfaction of Task 10.0 of the Fanno Creek Watershed Management Plan (WMP) to evaluate bridge capacities along the FIS-restudied reaches of Fanno Creek, Summer Creek, and Ash Creek.

SUMMARY OF RESULTS AND RECOMMENDATIONS

This report documents the hydraulic evaluation of the 33 major (railroad and public road) crossings over the FIS-restudied reaches of the Fanno Creek Watershed. These reaches include the lower 13.5 miles of Fanno Creek (upstream through Oleson Road), the lower 2.0 miles of Summer Creek (through 135th Avenue), and the lower 1.5 miles of Ash Creek (through Hemlock Street).

We evaluated the hydraulic performance of these 33 structures in terms of flooding frequency of the bridge deck, the low chord (i.e. beam), and the road approach to the bridge, under both existing (1996-2000) and future (2040) watershed conditions. The results of this analysis are presented in Table 1.

Our conclusions are as follows:

- A: 14 structures had capacities in excess of the 100-year event.
- B: 9 structures also had OK deck capacities but their low chords were frequently submerged, so blockage posed a significant risk. We recommend watching for debris during floods.
- C: 2 flood near Oregon Episcopal School and isolate it during even moderate flooding, but structural fixes are impractical. We recommend providing emergency access via the adjacent public school to the east.
- D: 6 other structures had capacities usually much less than the 25-year flood: Hall Blvd (downstream), Tigard, North Dakota, and Oleson (Fanno Creek), 121st Ave. (Summer Creek), and Hemlock (Ash Creek). We recommend replacing them.
- E: 2 other structures on Ash Creek appeared deficient in the profiles and FIS work maps, but the flooding was shallow and in the approaches. These bridges become more deficient in the future. They are Oak and Hall (Ash Creek). We recommend replacing them, but in the future and as lower priority projects.

Then, HEC-RAS models were developed using the HEC-2 geometry to provide visual checks of the bridge sections and of the flood profiles near the crossings. HEC-RAS provided a good visual check of the flooding frequency at the 33 crossings evaluated. The more frequent flooding of the HEC-2 or HEC-RAS results were used in the tabulation. The HEC-RAS model was also then used to model the proposed bridge sizes, including the opening width, low chord and deck elevation, raised road approaches, and, in some cases, laid-back stream banks near the crossing.

DESIGN FLOWS

The design flows for this analysis were from both the Fanno Creek Watershed Management Plan (WMP) and the Watersheds 2000 Project (WS2K). The WMP flows were modeled for existing (1996) and future (2040) land use conditions using standard, 24-hour SCS Type 1A design storms. The WS2K flows were modeled for existing (2000) and future (2040) land use conditions using a 72-hour design storm developed for that project to reflect the larger frontal storms that are more typical for the area. For ease of use, the WS2K storm was normalized to the same 24-hour peak depth as the WMP flows, so the results using the two can be consistently compared. The greater flow (thus flooding elevation) of the two sources was used to evaluate the bridge capacities. Note that no additional hydrologic modeling was done for this analysis, thus the WS2K flows include the 500-year event, while the WMP does not.

The WS2K storm has a greater total depth but lower peak intensity. Thus WMP hydrographs have higher peak flows than the WS2K ones further up in a watershed. But the WMP peak flows are "averaged" more as they are routed through the downstream watershed, so that at some point (about 8 square miles) the WS2K peak flows become greater, and remain so for the rest of the downstream system. Thus the WMP flows are more appropriate for smaller drainages, while the WS2K flows would be used for larger watershed areas.

When the two flows were compared for Fanno Creek, we determined that the 72-hour WS2K flows (and thus water surfaces) were higher upstream through Scholls Ferry Rd. (above Hwy 217) under existing land use, and through Tiedeman Rd. under future conditions. The resulting water surfaces remained similar further upstream. For the HEC-RAS (visual) profile check, the WS2K flows were used for Fanno Creek throughout.

For Summer Creek, the WMP flows were higher for all of the watershed under both existing and future conditions. For Ash Creek, the WMP flows were higher for all of the future conditions and all but the one lowest section for existing conditions. Thus for the RAS modeling and profile checks, the WMP flows were used for both of these watersheds.

HYDRAULIC MODELING AND RESULTS

The FIS Restudy models developed using HEC-2 were used to evaluate the hydraulic capacities of these 33 bridges. The FIS flows were replaced in turn with the WMP flows for existing and then future conditions, and also with WS2K flows for existing and then future conditions, resulting in four sets of flood elevations. The WMP results include flood profiles (elevations) for

TABLE 1
SUMMARY OF FANNO CREEK WATERSHED RAS/HEC2 DEFICIENCIES
By Pacific Water Resources, Inc. - September 2001

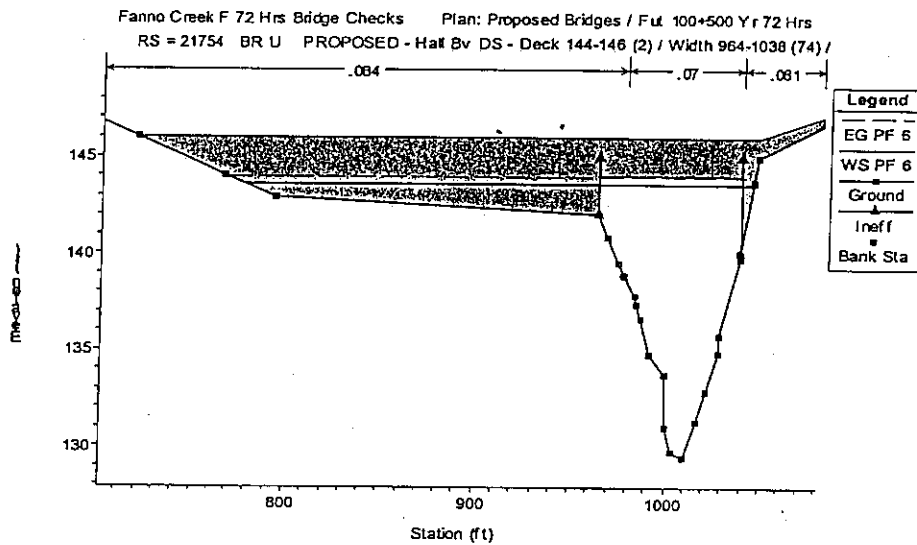
FANNO CREEK									
XS	JUR	LOCATION	DECK - CAPACITY		LOW CHORD - DEBRIS		GROUP	RECOMMEND	NOTES
			NOW	FUT	NOW	FUT			
6123		RR (high trestle)	ok	ok	ok	ok	A	x	
7992		Durham Rd	ok	ok	ok	ok	A	x	
14692		Bonita Rd	ok	ok	~ 25 YR	< 25 YR	A	x	
21791	Tigard	Hall Blvd. (DS)	< 5 YR	~ 2 YR	(def)	(def)	D	REPLACE (Figure 1)	Deck ok but creek may back up into building area on upstream right
26202	Tigard	Main St.	~ 25 YR	< 25 YR	< 5 YR	< 5 YR	B	Watch debris	Future problem / existing is borderline
26370		Hwy 99W (High)	ok	ok	ok	ok	A	x	
27486		Grant Ave	ok	ok	ok	ok	A	x	
31338		Tiedeman Rd	ok	ok	ok	ok	A	x	
32825	Tigard	Tigard St	< 2 YR	< 2 YR	(def)	(def)	D	REPLACE (Figure 2)	Deck ok but shallow flooding of road in left overbank
34058	Tigard	North Dakota St	< 5 YR	< 5 YR	(def)	(def)	D	REPLACE (Figure 3)	
38750		Scholls Ferry Rd (DS)	ok	ok	ok	ok	A	x	
46057	Beaverton	Hall (UP)	ok	~ 25 YR	< 2 YR	< 2 YR	B	Watch debris	Watch for debris - Future borderline problem
50364		Denny Rd (DS)	ok	ok	~ 25 YR	< 25 YR	B	Watch debris	Watch for debris - deck ok here but pools upstream - Q ~ 50 YR
50693	Beaverton	Denny Rd (UP)	~ 10 YR	< 10 YR	Q < 5 YR	< 5 YR	B	Not fix / watch debris	No other access to substation. Fix at downstream bridge not here. Watch debris.
51676		RR (high trestle)	ok	ok	ok	ok	A	x	
51907		Hwy 217 (both)	ok	ok	ok	ok	A	x	
56716	Beaverton	Scholls Ferry Rd (UP)	~ 50 YR	< 25 YR	< 10 YR	< 5 YR	B	Watch debris	Borderline now / problem in future
58183	Beaverton	92nd Ave	ok	ok	< 25 YR	< 10 YR	B	Watch debris	Watch debris
59439	Beaverton	Bohman Dr	ok	~ 25 YR	< 25 YR	< 25 YR	B	Watch debris	Borderline future - watch debris
60771		86th Ave	ok	ok	ok	ok	A	x	Flooding of road in left overbank - unrelated to bridge - ISOLATES houses
64085	Beaverton	Nicol Rd	~ 25 YR	~ 10 YR	(def)	(def)	C	Emerg. Acc. To E	Major flooding in road (Q < 2 YR) unrelated to bridge ISOLATES residential school
64550	Beaverton	Vermont St	~ 5 YR	~ 5 YR	(def)	(def)	C	Emerg. Acc. To SE	Major flooding in road (Q < 2 YR) unrelated to bridge ISOLATES area
70209	Beaverton	Oleson Rd	< 5 YR	~ 2 YR	(def)	(def)	D	REPLACE (Figure 4)	
SUMMER CREEK									
XS	JUR	LOCATION	NOW	FUT	NOW	FUT	GROUP	RECOMMEND	NOTE
105868	Tigard	SW 121st Ave	< 2 YR	< 2 YR	(def)	(def)	D	REPLACE (Figure 5)	
109158		130th Ave	ok	ok	ok	ok	A	x	
110526		135th Ave	ok	ok	ok	ok	A	x	
ASH CREEK									
XS	JUR	LOCATION	NOW	FUT	NOW	FUT	GROUP	RECOMMEND	NOTE
200545		RR (high trestle)	ok	ok	ok	ok	A	x	
201183	Tigard	Greenburg Rd	ok	~ 25 YR	ok	< 25 YR	B	Watch debris	Potential borderline problem in future
202899		Hwy 217 & Shady Ln	ok	ok	ok	ok	A	x	
205708	Tigard	Oak St	< 10 YR	~ 2 YR	(def)	(def)	E	FUTURE (Figure 8)	Shallow road approach flooding / watch for debris and replace in future
205865	Tigard	Hall Blvd	< 25 YR	~ 2 YR	(def)	(def)	E	FUTURE (Figure 8)	Shallow road approach flooding / watch for debris and replace in future
206747	Tigard	Locust	ok	< 25 YR	< 25 YR	< 2 YR	B	Watch debris	Future problem only - watch debris
208008	Tigard	Hemlock St	< 2 YR	< 2 YR	(def)	(def)	D	REPLACE (Figure 8)	Shallow flooding DS in Hall Blvd - raise grade 2 feet ?

Report: Bridge Capacities along Fanno, Summer and Ash Creeks

FIGURE 1 - PROJECT - FANNO CREEK AT D.S. HALL BLVD (Tigard)

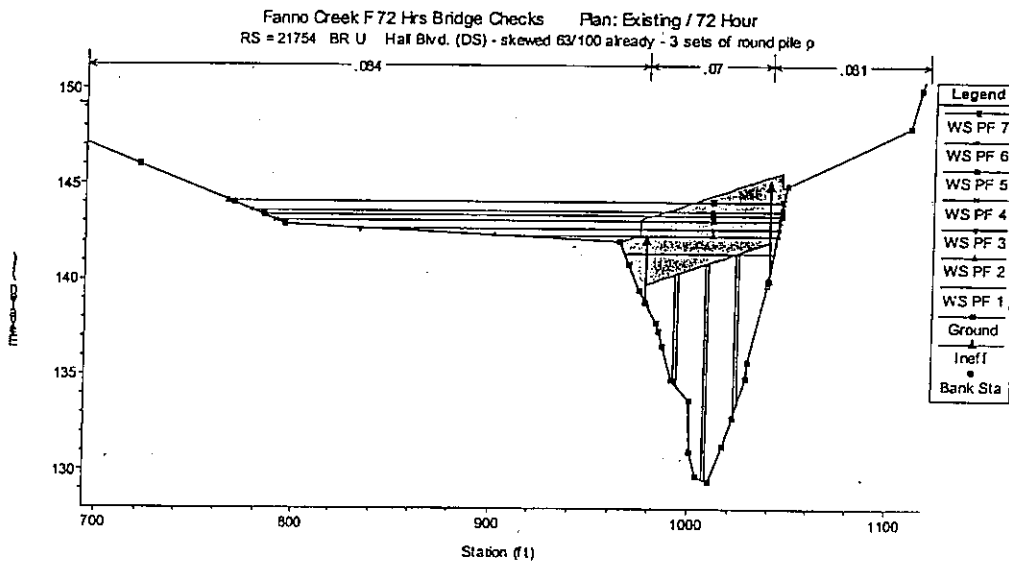
Parameters: Feet / NGVD 29	Deck Thickness	Low Chord (Beam)	Deck Surface	Opening Width	# Pier Sets	Max Span Length	Inlet Area (sf)	Velocity (fps)
	2 ft	144	146	74	0	74	655	5.0

PROPOSED STRUCTURE (100 year future surface shown)



3,275 sf

EXISTING STRUCTURE (2-500 year existing surfaces shown)

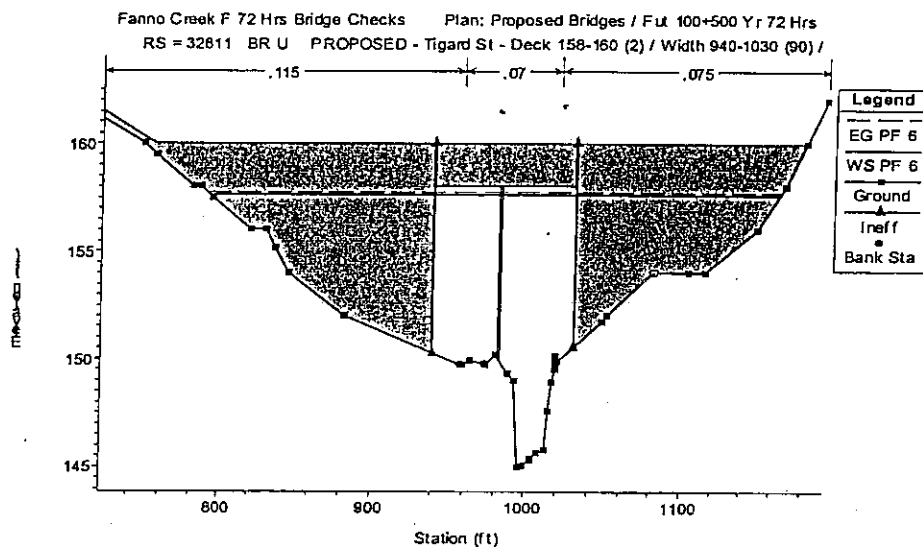


Report: Bridge Capacities along Fanno, Summer and Ash Creeks

FIGURE 2 - PROJECT - FANNO CREEK AT TIGARD ST (Tigard)

Parameters: Feet / NGVD 29	Deck Thickness	Low Chord (Beam)	Deck Surface	Opening Width	# Pier Sets	Max Span Length	Inlet Area (sf)	Velocity (fps)
	2 ft	158	160	90	1	50	762	3.1

PROPOSED STRUCTURE (100 year future surface shown)



EXISTING STRUCTURE (2-500 year existing surfaces shown)

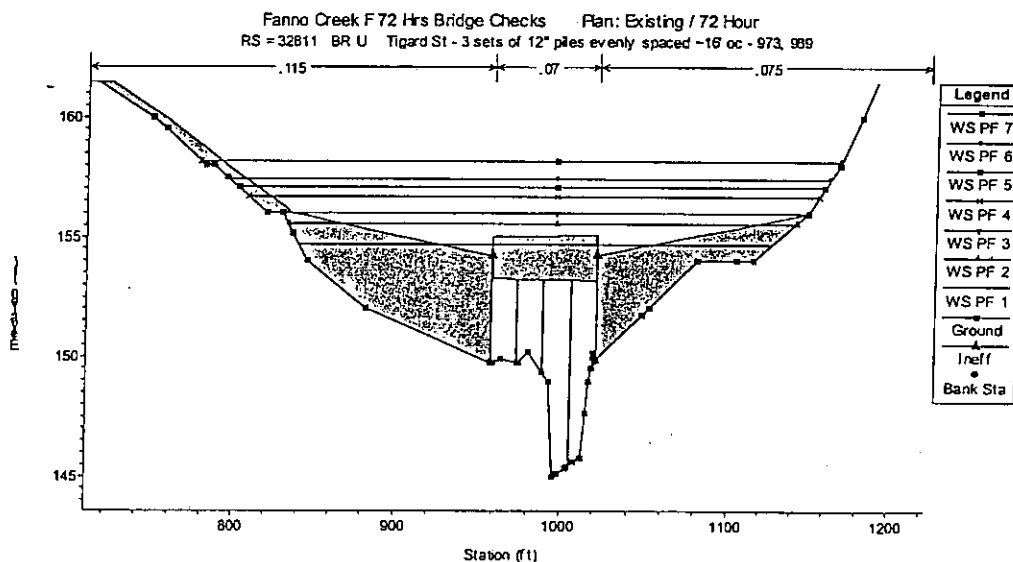
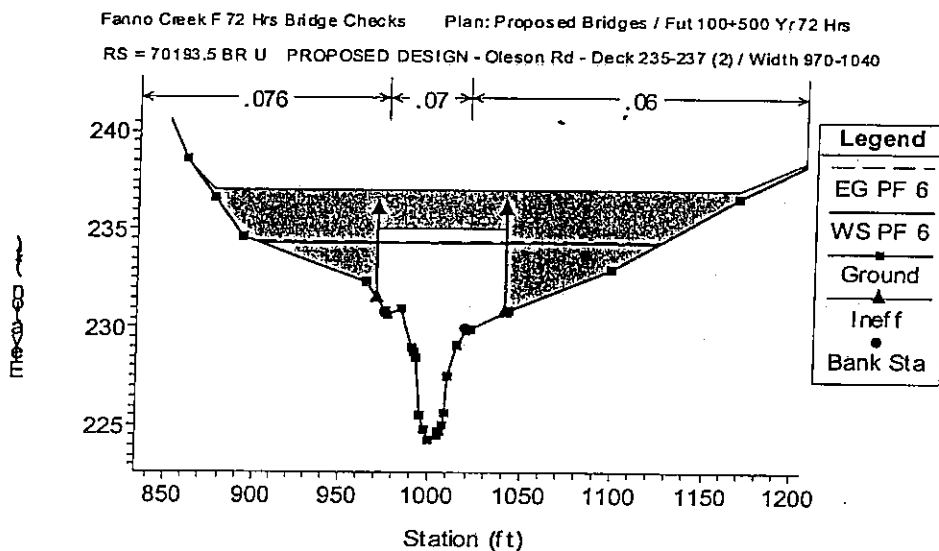


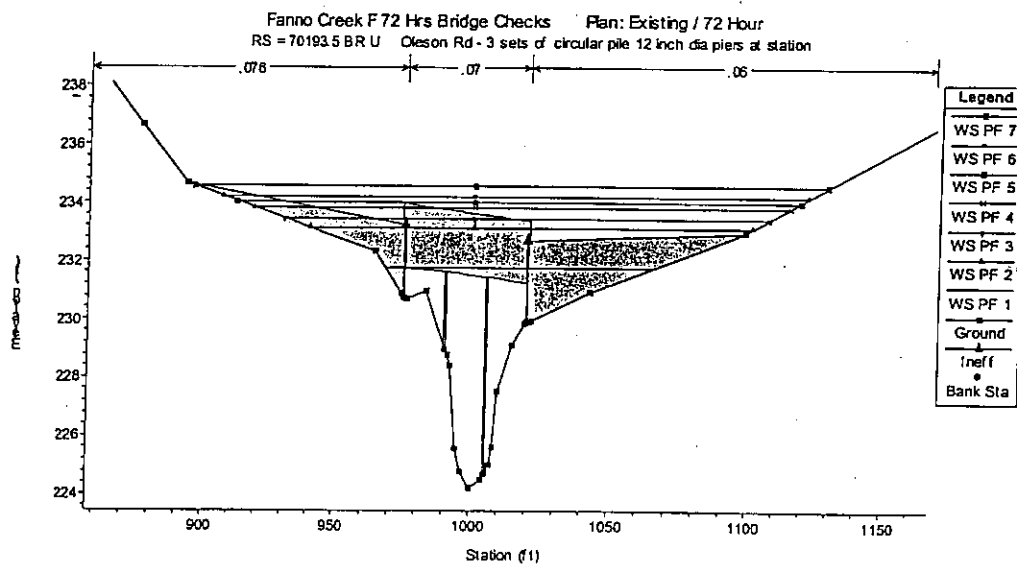
FIGURE 4 - PROJECT - FANNO CREEK AT OLESON RD (Beaverton)

Parameters: Feet / NGVD 29	Deck Thickness	Low Chord (Beam)	Deck Surface	Opening Width	# Pier Sets	Max Span Length	Inlet Area (sf)	Velocity (fps)
	2 ft	235	237	70	0	70	392	3.2

PROPOSED STRUCTURE (100 year future surface shown)



EXISTING STRUCTURE (2-500 year existing surfaces shown)



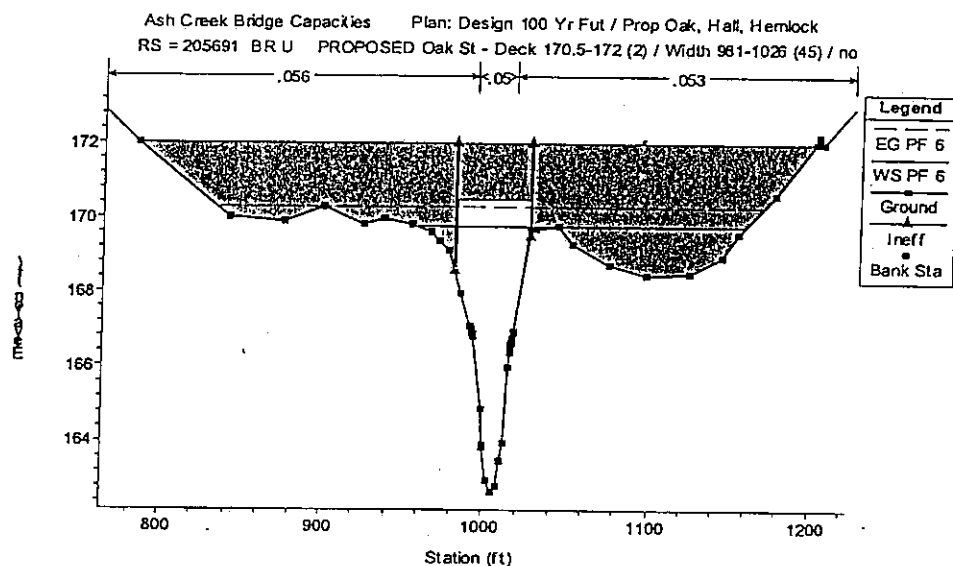
Report: Bridge Capacities along Fanno, Summer and Ash Creeks

FIGURE 6 - PROJECT - ASH CREEK AT OAK ST (Tigard)

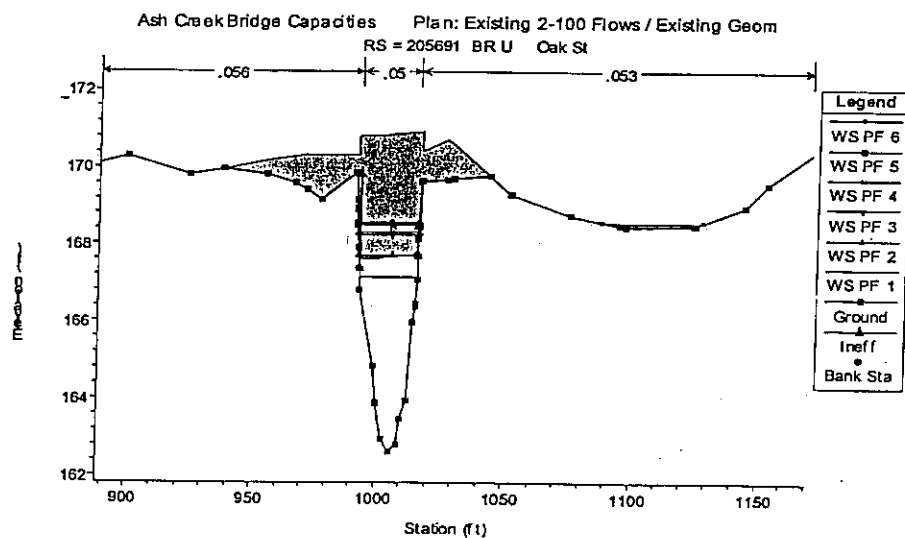
NOTE - the shallow flooding or roads suggests this is a lower priority / future project

Parameters: Feet / NGVD 29	Deck Thickness	Low Chord (Beam)	Deck Surface	Opening Width	# Pier Sets	Max Span Length	Inlet Area (sf)	Velocity (fps)
	1.5 ft	170.5	172	45	0	45	200	6.1

PROPOSED STRUCTURE (100 year future surface shown)



EXISTING STRUCTURE (2-100 year existing surfaces shown)

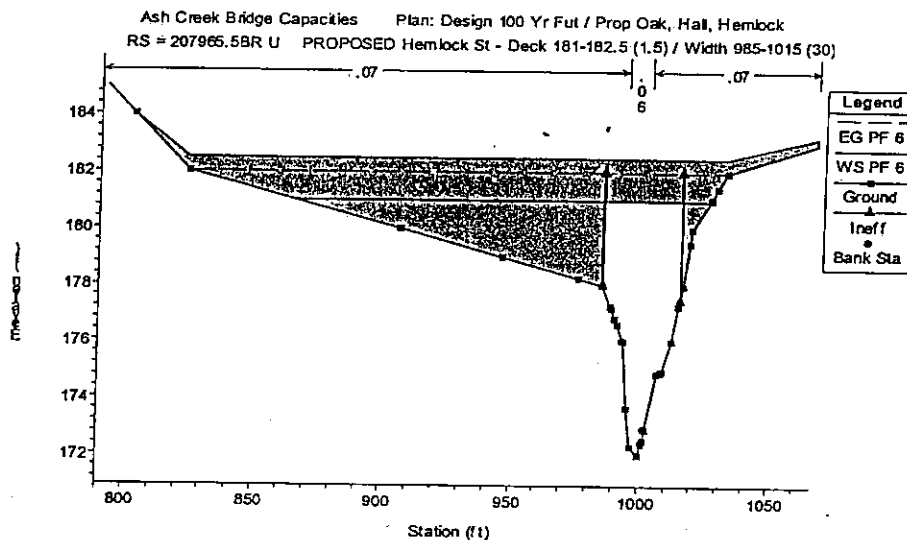


Report: Bridge Capacities along Fanno, Summer and Ash Creeks

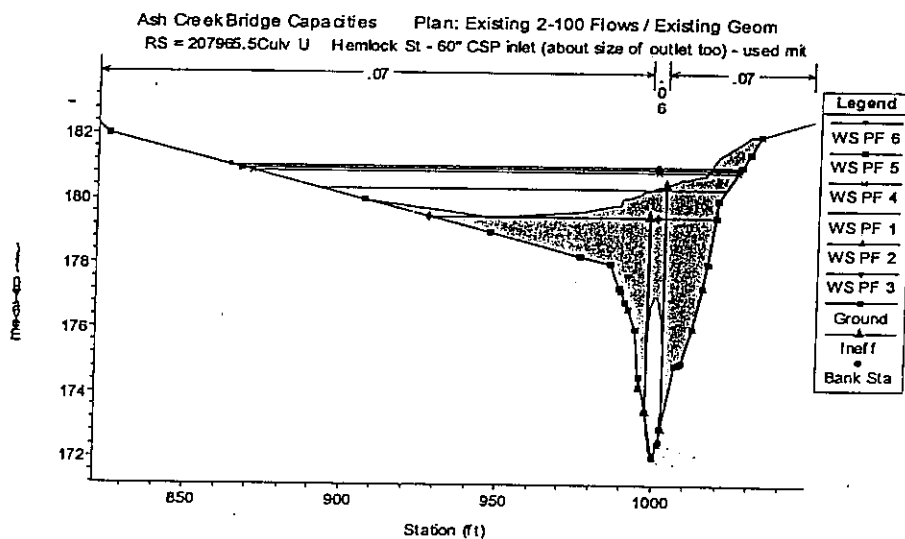
FIGURE 8 - PROJECT - ASH CREEK AT HEMLOCK ST (Tigard)

Parameters: Feet / NGVD 29	Deck Thickness	Low Chord (Beam)	Deck Surface	Opening Width	# Pier Sets	Max Span Length	Inlet Area (sf)	Velocity (fps)
	1.5 ft	181	182.5	30	0	30	178	7.6

PROPOSED STRUCTURE (100 year future surface shown)



EXISTING STRUCTURE (2-100 year existing surfaces shown)



CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE AFFORDABLE HOUSING RESIDENTIAL SERVICES GRANT PROGRAM
DISCUSSION

PREPARED BY: Elizabeth Ann Newton  DEPT HEAD OK  CITY MGR OK 

ISSUE BEFORE THE COUNCIL

Consideration of a policy that would address food and housing support for Tigard residents in need.

STAFF RECOMMENDATION

Provide direction to staff on how to proceed.

INFORMATION SUMMARY

At the June 22, 2004 City Council meeting, Council considered a request by St. Vincent DePaul and St. Anthony's Church for a grant to offset the cost of building and planning fees associated with a new a food storage and distribution center. Funds were requested through the City's Affordable Housing Assistance Program. Consensus of the Council was that the request did not meet the Affordable Housing Assistance Program Guidelines established by the Council.

After some discussion Council directed staff to assemble information for Council consideration of a policy that would address food and housing support for Tigard residents in need. Specifically, consideration of a policy would be a three-step process. The first step – to discuss the policy at a work session meeting. A memo outlining a proposal for discussion is attached.

OTHER ALTERNATIVES CONSIDERED

Modify the proposal
Delay action
Direct staff not to proceed with development of a policy.

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

N/A

ATTACHMENT LIST

- 1) Memo dated August 6 from Liz Newton with attachments.

FISCAL NOTES

N/A

MEMORANDUM

Administration



TO: Honorable Mayor and Council

FROM: Liz Newton, Assistant to the City Manager

DATE: August 6, 2004

SUBJECT: Affordable Housing Residential Services Grant Program

Background:

At the June 22 City Council meeting, Council considered a request by St. Vincent DePaul and St. Anthony's Church for a grant to offset the cost of building and planning fees associated with a new food storage and distribution center. Funds were requested through the City's Affordable Housing Assistance Program. Consensus of the Council was that the request did not meet the Affordable Housing Assistance Program Guidelines established by the Council.

After some discussion Council directed staff to assemble information for Council consideration of a policy that would address food and housing support for Tigard residents in need.

Specifically, consideration of a policy would be a three-step process:

1. Discussion of the policy at an upcoming work session (August 17)
2. Consider approving the policy at a subsequent meeting
3. Reconsider this application and other requests at a subsequent meeting, once the policy has been established (a copy of the minutes is attached).

Proposal for Discussion:

The City of Portland appropriates \$7,000 each fiscal year for an "Emergency Fund of the Council" to be used in any way the Council deems appropriate. Any balance left in the fund at the end of the fiscal year goes back to the General Fund

Staff proposes that the City Council consider establishing a Residential Services Emergency Fund to be distributed by the Council under the following guidelines:

- Requests meet an unmet or growing need to support basic services for Tigard residents (food, shelter, clothing).
- Requests are not for ongoing operations, or maintenance.
- Requests do not meet the criteria for the City's Social Services Program.
- Requests must meet the same reporting requirements as social service grant requests.

- Total funding available will be limited to .5% of the previous fiscal year's funding for social service grants and the Affordable Housing set-aside
($\$82,100 + \$20,000 = \$102,100 \times .5\% = \$5,105$ in FY 05-06)
- Funds do not carry over to the next Fiscal Year.

Next Step:

Staff requests Council direction on the proposal. If Council directs staff to proceed, a written policy will be prepared for review and consideration at a later meeting.

The motion was approved by unanimous vote:

Mayor Dirksen	-	Yes
Councilor Moore	-	Yes
Councilor Sherwood	-	Yes
Councilor Wilson	-	Yes
Councilor Woodruff	-	Yes

5. UPDATE ON THE NEW LIBRARY

Library Director Barnes gave a PowerPoint presentation on the timeline and transition to the new library. A copy of the presentation is on file in the City Recorder's office. Ms. Barnes relayed reserved items would be handled by Beaverton Library, commemorative bricks were in place and the new library's address would be 13500 SW Hall Blvd.

6. CONSIDER ST. VINCENT DE PAUL AFFORDABLE HOUSING GRANT

a. Staff Report

City Manager Monahan introduced this item. Mr. Monahan stated Fr. Seig had requested assistance, in the form of a grant, to offset the cost of building and planning fees associated with a new food storage and distribution center associated with St. Vincent DePaul and St. Anthony's Church. Funds were requested through the city's Affordable Housing Assistance Program. This program was established to fund affordable housing acquisition, development and rehabilitation. It was noted that although the food storage and distribution center serves the low income community, no low income housing units would be affected by the requested funds. The request does not meet the Affordable Housing Assistance Program guidelines established by the Council.

b. Council Discussion

Councilor Sherwood stated St. Vincent DePaul provided financial assistance to keep low income people from becoming homeless. The agency supports the homeless shelter and prepares food boxes. She stated she hoped the Council could figure out a way to provide assistance relating to the new food storage and distribution center.

Interpretation of program guidelines and applicability and impact to the city's social service grant program were discussed.

Councilor Wilson expressed concern over making an exception to existing guidelines. He stated using funds for a grant which did not directly support affordable housing could mean a lost opportunity to fund projects that the money was intended to support.

In response to an inquiry, Mr. Monahan commented it would be difficult to make an exception to the guidelines. He explained the program had been in place for two years and specific criteria had been established. He stated modifying the program, rather than making an exception, would be the appropriate course of action. He noted other organizations may not have applied for funding under this program based upon the stated guidelines.

Mayor Dirksen explained the program was created so funds could be earmarked for affordable housing. If the program is changed, or an exception is made, this will set a precedent and the original goal of the program, to support the renovation or construction of affordable housing, may be lost. He inquired if there were any other sources of funding that could be used.

In response to an inquiry, Finance Director Prosser remarked that in the past, the Council had approved a budget amendment in which social service grants were created or increased during the fiscal year. Mr. Prosser stated the Council could direct staff to prepare a budget amendment to add funds to the city's social service grants, drawing on the general fund contingency.

Mr. Monahan commented such a budget amendment may set a precedent. He added St. Vincent DePaul had not submitted an application during the normal process of applying for social service funding. He remarked some agencies who had complied with the process had not been fully funded and no funds were awarded to new applicants.

Mr. Monahan suggested the Council could also consider the food storage and distribution center as a unique funding request, not tied to the social service budget. It was noted social service funds typically support ongoing projects as opposed to one-time requests.

Councilor Moore proposed developing a policy to address one-time funding requests which are not a good fit for social service or affordable housing grant programs. Councilor Moore asked if staff could investigate the issue and Council could discuss staff's findings at an upcoming work session. He stated

he was not comfortable supporting the request under the existing circumstances.

Councilor Woodruff acknowledged the good work and value that many organizations, including with St. Vincent DePaul, add to the community. He expressed concern about the impact of such requests on the budget. He explained should the Council fund the request, other organizations might seek the same consideration.

Mayor Dirksen summarized the Council's comments regarding this specific request, saying the Council's answer to the funding request appeared to be "no." However, he suggested since the Council did not have a mechanism in place to address this type of funding request, it could justify a one-time exception.

Mayor Dirksen noted there was support for the creation of a policy to address future funding requests which did not meet criteria established in other funding programs.

Councilor Wilson said the creation of a new policy was worthy of discussion, but did not want that to be construed as a commitment of support. He expressed concern over the budget.

c. Council Consideration

Motion by Councilor Sherwood, seconded by Councilor Moore, to revisit this item, not as a housing item, but as a food and housing support issue and discuss a policy decision at a future meeting.

Mayor Dirksen sought to clarify Councilor Sherwood's motion, stating the motion had two parts:

- to consider this request specifically
- to consider a policy regarding this kind of request

Councilor Moore interjected the policy should be established and in place before this request is revisited.

Mayor Dirksen confirmed the motion was to bring the issue back to Council to consider a policy and to then address the specific request.

The motion was approved by unanimous vote:

Mayor Dirksen	-	Yes
Councilor Moore	-	Yes
Councilor Sherwood	-	Yes
Councilor Wilson	-	Yes
Councilor Woodruff	-	Yes

Mr. Monahan replied staff would try to assemble information for the July 20 or August work session. He confirmed this would be a three step process:

1. Discussion of the policy at an upcoming work session
2. Consider approving the policy at a subsequent meeting
3. Reconsider this application and possibly other requests at a subsequent meeting, once the policy has been established

Mr. Monahan mentioned the need to set aside funds should the policy be established.

7. PUBLIC HEARING – ADOPT SUPPLEMENTAL BUDGET FY 03-04, MAKE APPROPRIATIONS AND CREATE STREET MAINTENANCE FEE FUND

- a. Summation by Finance Staff
Finance Director Prosser introduced this item. He indicated this budget amendment would wrap up the 2003-2004 fiscal year. Mr. Prosser described the highlights of the supplemental budget as detailed in the Agenda Item Summary.
- b. Mayor Dirksen opened the public hearing.
- c. Public Testimony
There was no public testimony.
- d. Staff Recommendation
Mr. Prosser recommended approval of the supplemental budget.
- e. Council Discussion
There was no discussion.
- f. Mayor Dirksen closed the public hearing.

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE SOCIAL SERVICE GRANT PROGRAM COORDINATION

PREPARED BY: Elizabeth Newton EW DEPT HEAD OK WNA CITY MGR OK WNA

ISSUE BEFORE THE COUNCIL

Should the Council revise the Social Service Grant Funding Process to ensure a wide range of qualified activities and programs are considered for funding and that the reporting requirements reflect the approval criteria?

STAFF RECOMMENDATION

Provide direction to staff on the recommendations to revise the Social Service Grant Program Funding Process.

INFORMATION SUMMARY

In the 2004-05 budget cycle, the policy limit was \$135,645 for events and social service appropriations. Although the City received over \$150,000 in grant requests, the proposed budget includes a total of \$82,100 for social services, and \$44,450 for community events for a total of \$126,550; \$9,095 less than the policy limit. No programs or activities were funded that have not been funded in prior years.

The intent of the Social Services Grant Program is to support programs and activities that address unmet and growing needs to assist and/or benefit Tigard residents that do not have the ability or resources to address these needs without assistance.

In an effort to ensure that a wide range of programs and activities that qualify can be considered for funding, staff recommends the Social Service Grant Funding process be revised to expand the outreach to potential applicants and clarify the reporting requirements to ensure grant recipients are serving the intended clientele.

A memo is attached that recommends revisions to the application process and funding criteria.

OTHER ALTERNATIVES CONSIDERED

Modify the recommendations
Delay consideration of the recommendations
Direct staff not to proceed

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

N/A

ATTACHMENT LIST

- 1) Memo dated August 6 from Liz Newton with attachments.

FISCAL NOTES

N/A

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MEMORANDUM

Administration



TO: Honorable Mayor and Council

FROM: Liz Newton, Assistant to the City Manager *LN*

DATE: August 5, 2004

SUBJECT: Social Service Grant Funding Process

Background:

Each year, the City appropriates funds to support Social Service activities that assist or benefit Tigard Citizens. Community organizations are invited to submit requests in February of each year. A subcommittee of the Budget Committee meets to review Social Service requests and to recommend funding in the Budget.

In 1993, the Budget Committee established the Social Service Funding Policy (attached). The Budget Committee policy is to set total events and social service appropriations at .5% of the prior year's operating budget. The policy limit for FY 2004-05 was \$135,645. In addition, the City budgets two set-asides within this appropriation in addition to the target amounts for grants: the Housing Program "Emergency Fund" to assist occupants of housing declared to be unsafe and the Affordable Housing Set-Aside to assist providers of low-income housing.

The City received over \$150,000 in grant requests for community events and social services for FY 2004-05. The Proposed Budget includes a total of \$126,550 for social services program grants (\$82,100), plus \$20,000 for the two set-asides. The grant funding is less than targeted, in recognition of the limited General Fund revenues for all City programs.

In addition to direct grants, some of the grant recipients also receive in-kind services from the City. These services range from provision of a building and its operating costs for the Loaves and Fishes/Tigard Senior Center to Tigard Public Works and Police overtime to support community events. These in-kind services are budgeted in departmental budgets and are estimated to cost about \$200,000 per year.

Issue:

In the 2004-05 budget cycle, the policy limit was \$135,645 for events and social service appropriations. Although the City received over \$150,000 in grant requests, the proposed budget includes a total of \$82,100 for social services, and \$44,450 for community events for a total of \$126,550; \$9,095 less than the policy limit. No programs or activities were funded that have not been funded in prior years.

The intent of the Social Services Grant Program is to support programs and activities that address unmet and growing needs to assist and/or benefit Tigard residents that do not have the ability or resources to address these needs without assistance.

In an effort to ensure that a wide range of programs and activities that qualify can be considered for funding, staff recommends the Social Service Grant Funding process be revised to expand the outreach to potential applicants and clarify the reporting requirements to ensure grant recipients are serving the intended clientele.

Recommendation:

Beginning with the 2005-06 budget cycle, implement a 4-phase Social Service Grant Funding application process.

- **Phase I Outreach**

Mid October – Postcard mailing to all potential qualified agencies and programs inviting them to apply for funding. Use past applicants, Chamber of Commerce directory, Washington County, and State agency contacts to develop a mailing list. Ask interested agencies to contact City for application packet.

- **Phase II Application**

Late December – Send Application packet with instructions to all previous applicants and any agencies that have requested information.

Early February – Deadline for applications

Early-Mid February – Review requests for compliance with criteria

- **Phase III Grant Award**

Late February – Social Services Funding Subcommittee meets to consider funding recommendations.

April – Social Service Funding Subcommittee recommendations incorporated into budget proposal

May – Budget consideration by Budget Committee

June – Council consideration and adoption of budget.

- **Phase IV Reporting**

December – Each program or agency that received funding will file a mid-year report that details how many Tigard residents have been, or are being served, how the funds provided by the City have been/are being spent and the status of efforts to obtain funding from other sources.

June – Each program or agency that receives funding will file a year-end report that provides the same information requested in the mid-year report.

Service Grant Funding Criteria:

The attached Social Service Funding Policy outlines some funding criteria. Staff recommends clarifications and additions to those criteria as follows:

- Agencies requesting funds shall:
 - Address an unmet or growing need in the Tigard community
 - Demonstrate efforts to explore other funding options
 - Describe how the service or program meets the convenience of the consumer
 - Be fiscally responsive.
 - Demonstrate that use of the program funding comes from the City or that more residents are served with the same level of funding.

The approval for grant funding will be included in the application and based on the criteria contained in the policy.

Next Steps:

Staff requests Council direction on the recommendations. If Council directs staff to proceed with or without modifications, staff will revise the Grant Funding packet material as appropriate.

CITY OF TIGARD
BUDGET COMMITTEE
SOCIAL SERVICE FUNDING POLICY

The City of Tigard receives funding requests from various agencies and non-profit corporations each year during the budget process. This policy provides the framework within which funding decisions will be made by the Budget Committee.

1. The maximum social agency funding total each year will be one half of one percent of the previous year's operating budget, rounded to the nearest \$1,000.
2. Agencies requesting City funds shall:
 - Demonstrate that the Agency has been providing service to City of Tigard residents for at least one year prior to the date of application.
 - Be registered with the Internal Revenue Service with a 501 (c) (3) not for profit tax status.
 - Be run by a volunteer Board of Directors with representation from the City of Tigard that is reflective of the agency's overall geographic membership and client service.
 - Operate with a balanced budget.
 - Be incorporated in the State of Oregon and registered to do business here.
 - Fill out and submit a completed application to the City of Tigard Finance Department by January 31.
 - Provide written reports to the Budget Committee on a quarterly basis during the period of funding. Reports must include information related to the use of City funds and a discussion of services provided to Tigard citizens.
3. The Budget Committee shall review the applications and hear oral presentations from each requesting agency.
4. After all information has been gathered and reviewed, the Budget Committee, at a separate meeting, will deliberate the merits of each application individually and make decisions about which agencies should be funded.

5. The Budget Committee will then determine how much each approved agency should be funded on its merits without regard to the funding available.
6. The approved funding for each approved agency will then be aggregated and the total will be compared to the calculated funding limit. All approved funding amounts will then be adjusted proportionately so that their total does not exceed the funding limit.
7. The Budget Committee may amend those procedures as necessary.

AGENDA ITEM # 10
FOR AGENDA OF August 17, 2004

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE: DISCUSSION OF RECOMMENDATIONS PERTAINING TO THE REGIONAL BLUE RIBBON HOUSING TASK FORCE.

PREPARED BY: Elizabeth Newton  DEPT HEAD OK  CITY MGR OK 

ISSUE BEFORE THE COUNCIL

Council discussion on the Working Draft Report from the Regional Blue Ribbon Committee on Housing Resource Development.

STAFF RECOMMENDATION

Provide specific comments on the report.

INFORMATION SUMMARY

At the June 22 City Council meeting Councilor Sherwood reported no vote had been taken on the Regional Blue Ribbon Housing Task Force from Multnomah, Washington and Clackamas Counties. The issue of the acceptance of the report and findings was referred to a subcommittee for more work and the item is scheduled to come back for consideration in September. Councilor Sherwood said the task force was seeking recommendations. She indicated she would like to discuss the matter with the Council at an upcoming workshop meeting. It was agreed the item would be scheduled for the August workshop.

The Regional Blue Ribbon Committee on Housing Resource Development (the "Committee") was convened to address the critical and long-standing need for additional resources to increase the supply of affordable housing in the Tri-County (Washington, Multnomah and Clackamas) Metropolitan Region. Councilor Sherwood is a member of the Committee. The growing demand for affordable housing in the region has been well documented and quantified in the Consolidated Plans of local governments in the region, the Metro Housing Technical Advisory Committee (H-TAC), the Housing and Community Development Commission, the City Club of Portland, Housing Authorities in the region and the Oregon Housing and Community Services Department. Highlights of affordable housing needs are presented in this summary report and links to more complete documentation can be found on the Committee's website <http://www.pdc.us/hsg-brc/>.

Primarily due to a lack of financial resources, many jurisdictions in the region are not meeting benchmarks for implementation of adopted housing policies and goals, including the fair share targets in the Metro Urban Growth Management Functional Plan. Members of the Committee believe that a proactive approach, such as offering financial incentives to encourage the development of affordable housing, is a more effective and realistic strategy than a pure regulatory approach as jurisdictions strive to provide the range of housing called for in these plans and required to meet the demands of people who live and work in communities across the region.

Between November 2003 and June 2004, the Committee met five times. All meetings were open to the public and were well attended. The Committee reviewed existing data on the regional need for affordable housing, the economic impacts of housing development and financing, and existing funding for affordable housing. They also examined various potential sources of new revenue, as well as previous efforts to secure housing funding locally, statewide and across the country. They discussed program priorities and the populations who they believe should be helped with new funding, political challenges and opportunities, and the partnerships necessary to successfully secure a new funding to address regional housing needs.

The Committee agreed that the principle elements of a successful strategy would include building coalitions and consensus, increasing general public awareness of the problem, gaining public support for solutions, and increasing support among local and state officials, including legislators, for the changes needed to tap potential funding sources and to reduce the cost of housing financing and development. A copy of the draft is attached. The recommendations are in Section 5 of the report, beginning on page 11. Councilor Sherwood will convey any comments or suggestions Council members have to the Committee in September.

OTHER ALTERNATIVES CONSIDERED

N/A

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

Growth and Growth Management Goal #3) Partnerships for advocacy for development of additional units and preservation of affordable housing are encouraged and supported by the City Council.

ATTACHMENT LIST

1. The Working Draft Report of the Regional Blue Ribbon Committee on Housing Resource Development.

FISCAL NOTES

N/A

Copies to:
Mayor ✓
Councilors ✓
City Manager ✓
Council Mail ✓
Mayor's Calendar ✓

Other: Jim H.
42

RECEIVED C.O.T.

JUL 21 2004

Administration

regional **BLUE RIBBON COMMITTEE**

on housing resource development

TO: Regional Blue Ribbon Committee on Housing Resource Development
FROM: Margaret Bax
DATE: July 14, 2004
RE: BRC Working Draft Report

Attached is the updated Working Draft Report of the Regional Blue Ribbon Committee on Housing Resource Development. I have made the changes suggested at the June 14th Meeting and have included the additional information requested or added references to the appropriate documents. As directed, the Next Steps Section has been removed from the draft and will serve as an outline for the activities of the Resource Steering Committee.

We are in process of scheduling the first meeting of the Steering Committee for early August. They will review the market survey instrument at that meeting and the survey will be conducted in August. The Steering Committee will meet again in early fall to hear the consultant's report and prepare recommendations for the full Committee.

Please share this Working Draft with your organizations, constituencies, and colleagues for comment and feedback. As discussed at the June meeting, it will be most helpful if we get specific suggestions such as:

- What will make the Report stronger? Ask for specifics.
- Ask for a specific alternative if they do not agree with, or support a recommendation.
- What can/will your group do to help?

If you get feedback to me in writing I will get it to the Steering Committee. I can be reached at mbax@ci.portland.or.us or by phone at 823-3606.

regional **BLUE RIBBON COMMITTEE** on housing resource development

**SUMMARY REPORT
OF THE REGIONAL BLUE RIBBON COMMITTEE
ON HOUSING RESOURCE DEVELOPMENT**

July 14, 2004

WORKING DRAFT

Acknowledgements

Regional Blue Ribbon Committee on Housing Resource Development

Mayor Vera Katz	City of Portland
Commissioner Erik Sten	City of Portland
Steve Schneider	Deputy Chief of Staff Governor Kulongoski; (Alternates, Erinn Kelley-Siel, David Reese)
Chair Diane Linn	Multnomah County
Senator Kate Brown	District 21
Representative Dave Hunt	District 40
Bob Repine	Director, Oregon Housing and Community Services Dept
Mayor Rob Drake	City of Beaverton
Mayor Chuck Becker	City of Gresham
Sydney Sherwood	Tigard City Council, Exec. Director Good Neighbor Center, Washington Co. Housing Authority
Commissioner Martha Schrader	Clackamas County
Councilor Rex Burkholder	Metro Regional Government
Rev. Dr. Wes Taylor	Tualatin United Methodist Church, Board Ecumenical Ministries of Oregon
Richard Harris	Executive Director Central City Concern, Portland Business Alliance Housing Committee
Commissioner Jeff Bachrach	Housing Authority of Portland
Commissioner Janet Byrd	Co-Chair Housing and Community Development Commission
Brian McCarl	Housing Developer, Chair Portland Business Alliance Housing Committee
David Bell	Regional Housing Developer
Mark Dodson	CEO NW Natural Gas Co., Portland Business Alliance
Dan Noelle	Retired Multnomah County Sheriff
Ken Allen	Executive Director Oregon AFSCME Council 75
Mark Wiener	Consultant
Robert S Ball	Attorney Ball Janik LLP
Commissioner Doug Blomgren	Portland Development Commission
Phil Kalberer	Kalberer Company, Oregon Food Bank Board
Melvin Broadous	RE/Max Equity Group, Portland Housing Center Board
Debbie Thomas	Debbie Thomas Real Estate
Morgan Smith	Morgan Financial Company
Dan Hempy	Executive VP Pacific Continental Bank, Immediate Past Chair Oregon Bankers Association
Kelly Ross	V.P. Government Affairs, Home Builders Assn of Metropolitan Portland
Tonya Parker	Senior Deputy Director, Fannie Mae

Blue Ribbon Staff

Margaret Bax	Housing Policy Manager City of Portland
Lisa Frack	Housing and Urban Development Staff
Andy Miller	Senior Housing Program Manager, BHCD
Jane Ediger	PDC Housing Policy Manager
John Cardenas	PDC Administrative Assistant

Facilitator

Carter MacNichol
Shiels Oblatz Johnsen, Inc.

Consultant

Patricia McCaig
McCaig Communications & Opinion Research, Inc.

SUMMARY REPORT OF THE REGIONAL BLUE RIBBON COMMITTEE ON HOUSING RESOURCE DEVELOPMENT

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SUMMARY REPORT OF THE REGIONAL BLUE RIBBON COMMITTEE ON HOUSING RESOURCE DEVELOPMENT

1. BACKGROUND AND INTRODUCTION

The Regional Blue Ribbon Committee on Housing Resource Development (the "Committee") was convened to address the critical and long-standing need for additional resources to increase the supply of affordable housing in the Tri-County (Washington, Multnomah and Clackamas) Metropolitan Region. The growing demand for affordable housing in the region has been well-documented and quantified in the Consolidated Plans of local governments in the region, the Metro Housing Technical Advisory Committee (H-TAC), the Housing and Community Development Commission, the City Club of Portland, Housing Authorities in the region and the Oregon Housing and Community Services Department. Highlights of affordable housing needs are presented in this summary report and links to more complete documentation can be found on the Committee's website <http://www.pdc.us/hsg-brc/>.

Primarily due to a lack of financial resources, many jurisdictions in the region are not meeting benchmarks for implementation of adopted housing policies and goals, including the fair share targets in the Metro Urban Growth Management Functional Plan. Members of the Committee believe that a proactive approach, such as offering financial incentives to encourage the development of affordable housing, is a more effective and realistic strategy than a pure regulatory approach as jurisdictions strive to provide the range of housing called for in these plans and required to meet the demands of people who live and work in communities across the region.

The federal government's retreat from its historic role as core financier of affordable housing along with high unemployment rates, steadily rising housing costs, and a dramatic increase in homelessness motivated these private and public sector leaders to come together to develop a winnable strategy to secure a new source of long-term, stable funding for affordable housing.

Between November 2003 and June 2004, the Committee met five times. All meetings were open to the public and were well attended. The Committee reviewed existing data on the regional need for affordable housing, the economic impacts of housing development and financing, and existing funding for affordable housing. They also examined various potential sources of new revenue, as well as previous efforts to secure housing funding locally, statewide and across the country. They discussed program priorities and the populations who they believe should be helped with new funding, political challenges and opportunities, and the partnerships necessary to successfully secure a new funding to address regional housing needs.

The Committee agreed that the principle elements of a successful strategy would include building coalitions and consensus, increasing general public awareness of the problem, gaining public support for solutions, and increasing support among local and state officials, including legislators, for the changes needed to tap potential funding sources and to reduce the cost of housing financing and development.

Consultant Patricia McCaig conducted a preliminary market assessment of recent local and national market research on attitudes regarding affordable housing and related issues. Her

findings are reflected in a memo to the Committee titled *Summary of Preliminary Market Assessment* (Attachment #1). The Committee agreed that additional research and polling would be necessary over the next 12-18 months to refine and successfully implement their recommended strategy. The next phase of market research will occur in July and August 2004.

This Report summarizes the Committee's activities, discussions, and recommendations. Attachments at the end of the Report provide background data and additional information the Committee considered in their deliberations. A website was set up to provide community access to the Committee and their materials. It provides links to numerous documents and resources the Committee reviewed. The website address is <http://www.pdc.us/hsg-brc/>.

Committee Charge, Membership, and Expected Outcomes

- A. **Charge:** To identify and recommend a winnable strategy to secure a new source of long-term stable funding to meet affordable housing needs in the Portland Metro area. New funds will be used to help people with disabilities, young families and low-wage workers afford safe, stable housing. The preferred source is one that is flexible and can be used for construction, rehabilitation, acquisition and preservation of affordable units and rents, and other appropriate subsidies as identified by local plans.
- B. **Membership:** The Committee was composed of private and public sector leaders representing business, faith-based and philanthropic organizations, labor, housing providers and developers, and state and local governments in the Portland Metro area.
- C. **Outcomes:** The Committee set the following as the outcomes expected upon completion of its work.
 - Identification of a specific new source(s) of regional and/or local funding to pursue. The selected funding mechanism will generate a long term, sustainable source of funding to meet identified affordable housing needs. The recommendation will be specific as to:
 - Geographic scope of the program
 - Mechanism(s) to actively pursue (Bond, Levy, RETF, Niche Tax, other)
 - Amount of funding to pursue
 - Outline of a strategy or set of actions to secure the preferred funding mechanism.
 - Commitment by state and local leaders to carry out the strategy.
 - Recommendation of broad guidelines for allocation of new affordable housing funds. If regional strategy, allow flexibility for local jurisdictions to meet local priorities.
 - Development of Action Plan to secure funding.
 - Implementation Recommendations:
 - Role of agency(ies) that administer funds
 - Oversight of funds to ensure accountability and evaluation
 - Administration Costs
 - Reporting Mechanism

2. AFFORDABLE HOUSING: LOCAL NEEDS & PUBLIC BENEFITS

The Regional Blue Ribbon Committee on Housing Resource Development reviewed comprehensive data documenting the current and projected need for affordable housing in the Tri-County Metro Region. In adopting this report and its recommendations, the Committee acknowledges the enormous need to increase the supply of affordable housing for a range of low-income people, including many who are working. The Committee recognizes that full implementation of its recommendation will not solve the affordable housing problem. However, when leveraged with private and other public resources, a new sustainable resource dedicated to affordable housing would allow local communities to meet their most critical housing needs and to stabilize families, schools, neighborhoods and local businesses.

The overall need for affordable housing within the Portland Metro Region has been quantified and measured across many dimensions. The most comprehensive regional analysis of the need was conducted by the Regional Affordable Housing Technical Advisory Committee (H-TAC) in 2000. They estimated that an **additional 90,000 units of housing affordable to families whose income is below 50% of the median family income** (\$34,000 for a family of 4) will be needed by year 2017.¹ This estimate was based upon a comparison of the current affordable housing stock and projected population growth in the relevant income sectors. The H-TAC report set the following specific affordable housing production goals to meet projected need:

- Of the 90,000 units of affordable housing needed by 2017, the Metro Region needs to produce 65,300 units affordable to households with incomes at 30% MFI (\$20,000 for family of 4) and 25,394 units affordable to households with incomes between 30-50% MFI (\$20,000 to \$34,000 for family of 4).
- H-TAC's affordable housing production goals were allocated across all of the regional jurisdictions pursuant to a fair share formula in which each jurisdiction is responsible to meet its proportionate share of the need.
- Looking at the three-County region, the H-TAC 2017 housing goal of 90,000 units produced can be summarized as follows²:
 - Clackamas County: 21,078 additional units
 - Multnomah County: 27,696 additional units
 - Washington County: 41,922 additional units

Affordable Housing Defined

- According to the U.S. Department of Housing and Urban Development, housing is affordable when a person or family pays no more than 30% of their annual income on housing (rent or home mortgage plus utilities). Families, especially those with lower incomes, who pay more than 30% of their income are considered cost burdened and often

¹ Metro, Regional Affordable Housing Strategy, Appendix b: Benchmark Housing Production Goals, available at: http://www.metro-region.org/library_docs/land_use/appendix_bfairshare.pdf

² A complete break-out of H-TAC's need-based housing goals by jurisdiction can be found at http://www.metro-region.org/library_docs/land_use/appendix_bfairshare.pdf. County numbers are only working estimates, since some jurisdictions exist in more than one County.

have difficulty affording necessities such as food, clothing, transportation, and medical care.³

- Increasingly, cost burdened households include people who work in retail, health care, child care, clerical and other service sector jobs. Attachment #2, *What Is Affordable Housing in the Tri-county?* profiles the make-up and incomes of some typical households in the Metro Region and what those families can afford to pay for housing.

The Importance of Meeting Housing Needs

With respect to meeting the community's demand for affordable housing, the Committee makes the following findings:

- A. Housing is an essential part of the built community infrastructure, like roads, bridges, parks and water supply.
- B. Without Affordable Housing, families face hunger, homelessness and instability
 - When families cannot find housing they can afford, they are forced to move frequently, live in overcrowded conditions or they become homeless. Low-income families are increasingly moving within the Portland region in search of affordable housing.⁴
 - Families that lack affordable housing are much more likely to experience hunger and homelessness. According to Patti Whitney-Wise, Director of Oregon Hunger Relief task Force, "... too many families are forced to choose between paying the rent and paying the grocery bill because they do not have enough income to cover both. Every month, these parents have to decide if their kids will be homeless or go hungry. No Parent should ever be confronted with that choice."
 - Renters in Oregon have a 50% higher hunger rate than renters across the country.⁵
- C. Stable Housing is essential for children to succeed in school
 - Each time a student moves and changes school, his/her odds of dropping out increase by 30%⁶
 - When families move frequently, student attendance and achievement drops dramatically. In one study, average reading scores of students who moved three or more times were half those of students who did not move.⁷
 - Affordable housing helps low-income families remain stable in neighborhoods and schools and thereby boost student achievement. Students with stable housing climb up to a half of a school year ahead of peers who move frequently.⁸

³ See: <http://www.hud.gov/offices/cpd/affordablehousing/index.cfm>

⁴ According to a survey conducted by the City of Portland of over 1700 households on the waiting list for the Housing Authority of Portland in FY 2000, 49% of survey respondents indicated that they were forced to move in the 12 months prior to the survey, and 50% of that group indicated that they anticipated having to move again in the next 12 months. The most frequently cited reason for moving was housing affordability or lack of sufficient income. *Report of the Housing Services Planning Committee, Bureau of Housing and Community Development, 2000.*

⁵ From presentation by Michael Leachman, Oregon Center on Public Policy, to Governor's Summit on Hunger, February 27, 2003.

⁶ See: <http://www.hud.gov/offices/cpd/affordablehousing/index.cfm>

⁷ Family Housing Fund, "Kids Mobility Project Report," 2001

- According to one elementary school principal in the region, "Mobility is the single biggest factor interfering with kids' success. Mobility makes it very difficult to even assess the effectiveness of our programs. Until we can solve the school mobility problem and create stability in kid's lives, at least at school, it will be difficult to address the myriad of social and educational problems that grow out of high mobility. Affordable housing is part of the solution"⁹

D. Affordable housing development boosts economic growth

- Public investment in affordable housing development creates family-wage jobs and stimulates construction and related economic sectors. See Appendix #3, "*Housing's Direct Economic Impact*" for a summary of the economic effects of affordable housing development.
- Employers, especially larger ones, are reluctant to locate in communities that lack affordable housing and stable schools.
- Homeownership continues to constitute one of the greatest family wealth-building engines. Public investment to boost homeownership rates for populations that cannot currently access it is essential for basic economic equity and community stability.

E. Increasing the supply of affordable housing conserves public resources by avoiding the public costs related to homelessness.

- Studies show that the public costs of chronic homelessness – including the costs of shelter, jail, and psychiatric beds - greatly exceed the public costs of providing appropriate housing for that population.¹⁰
- In cost-comparisons conducted in major cities, the public investment in providing housing and services for a homeless person is typically less than 10% of the cost to hospitalize or incarcerate them.¹¹

A Growing Housing Affordability Crisis in the Region and State

A. HOMEOWNERSHIP

- Many families can no longer afford to become homeowners
- Most families with incomes at the region's median (\$67,900 for a family of four) cannot afford to purchase a median-priced home (\$185,000).

⁸ Varlas, Laura "Slowing the Revolving Door: Schools Reach Out to More Mobile Families," in the Association for Supervision and Curriculum Development's Education Update, Vol. 44, No. 7, November, 2002.

⁹ Dennis McCauley, Principal, Reynolds School District, Fairview, Oregon, in a statement to the staff of the Blue Ribbon Committee, 2004.

¹⁰ The University of Pennsylvania's Center for Mental Health Policy and Services Research recently tracked the cost of nearly 5,000 mentally ill people in New York City for two years while they were homeless and for two years after they were housed. They concluded that housing created an average annual savings of \$16,282 per participant by reducing the use of public health services, shelter use and incarceration of the homeless mentally ill. See <http://www.csh.org/index.cfm?fuseaction=Page.viewPage&pageID=722>.

¹¹ See the Corporation for Supportive Housing cost comparison at <http://www.csh.org/html/ny.html>.

- For every available home that is affordable for purchase by low-income working families (50%MFI), there are more than three qualifying families waiting to buy it.¹²
- Across all categories of income, the homeownership rates of racial minorities continue to lag behind the home ownership rates of the white population in our region. This "minority homeownership gap" must be addressed by broad strategies that will most likely require public investment.¹³

B. RENTAL HOUSING

- For a working family of four with an annual income of \$33,000 (50% MFI), the region currently has a shortage of approximately 3,500 affordable rental units.¹⁴
- For extremely low-income households (30% MFI), the affordable housing shortage is even more dramatic. HUD statistics indicate that the region currently lacks approximately 20,000 rental units as compared to the size of the population that needs it.¹⁵
- Without new resources, current projections indicate that this shortage will widen to over 50,000 units by 2017.¹⁶
- In the Portland Region, for every affordable rental unit available to extremely low-income families (30% MFI), there are more than 3 families who need it.¹⁷
- It is increasingly difficult for low-income working families to find affordable rental housing near their jobs requiring them to travel long distances every day.

Attachment #4, *Snapshot of Regional Housing Funds and Production* summarizes annual average funding and accomplishments over the last 5 years. Although significant, these resources are inadequate to meet the growing demand. Not included are all federal subsidies such as Section 8 vouchers, bonds, mortgage insurance and the home mortgage income tax deduction.

3. POTENTIAL FUNDING SOURCES

The Committee reviewed background information and previous research regarding potential funding sources. The principal report reviewed was entitled *New Funds for Affordable Housing* (available upon request and at website), prepared by the Heritage Consulting Group and Consultant Janet Byrd for the Community Development Network, the Homebuilders Association of Metropolitan Portland, the Neighborhood Partnership Fund and the Portland Business Alliance.

¹² National Low-Income Housing Coalition, *Local Area Low-Income Housing Database*, 2004, available at: <http://www.nlihc.org/research/lalihd/>

¹³ See, *Homeownership in the City of Portland*, October, 2001, pp. 3-7 available at <http://www.portlandonline.com/shared/cfm/image.cfm?id=32189>

¹⁴ See, *Comprehensive Housing Affordability Strategy Data*, U.S. Dept. of Housing and Urban Development, 2000 available at: <http://socds.huduser.org/scripts/odbic.exe/chas/index.htm>

¹⁵ Ibid.

¹⁶ Metro, *Regional Affordable Housing Strategy*, Appendix b: Benchmark Housing Production Goals, available at: http://www.metro-region.org/library_docs/land_use/appendix_bfairshare.pdf

¹⁷ National Low-Income Housing Coalition, *Local Area Low-Income Housing Database*, 2004, available at: <http://www.nlihc.org/research/lalihd/>

Ms. Byrd also prepared a summary memorandum, Attachment #5, *Potential Use of Real Estate Transfer Fees To Fund Affordable Housing Development*, for the Committee. A matrix outlining the characteristics of each source was the principal tool used by the Committee to evaluate the alternatives. This matrix entitled *Summary of Potential Funding Sources* follows as Attachment #6. The following summarizes the discussions and conclusions of the Committee regarding the sources considered.

- A. **General Obligation Bonds.** General Obligations Bonds (GO), if approved by voters, could be issued for affordable housing projects and paid back over a fixed period of time from a special property tax.

Pro's:

- Raises a predictable amount of funds
- Not subject to property tax limitation (Measures #5, #47, and #50)
- Can be used for capital improvements and land acquisition

Con's:

- Use of GO Bond proceeds is limited to publicly owned projects.
- The GO Bond would require a public vote, and possibly a double majority approval
- Competition with other publicly funded programs (schools, parks, public safety) at a time when there are very high demands on limited public funds
- Funds cannot be used with tax credit financing
- Funds limited to capital investments, cannot be used for homeownership programs and rental assistance, or privately owned buildings and land
- Temporary source
- Public opposition to general tax increases

- B. **Local Option Property Tax Levy.** A local levy would earmark new property tax revenues for affordable housing. Such property tax levies are common for libraries, public safety, parks and other public purposes. The additional property tax backing the levy is typically levied for 3-5 years.

Pro's:

- An advantage of the levy over the GO Bond is the use of the funds is highly flexible and can be used for capital, operating costs and other forms of subsidy.
- No restrictions related to project ownership

Con's:

- Like the GO Bond, a property tax levy would require voter approval, and possibly with a double majority approval.
- Competition with other worthy public causes at a time when there are very high demands on limited public funds
- The amount collected annually would also be uncertain as actual collections would be subject to the limitations of Measure 5 and Measure 50 which result in "compression". Currently Multnomah County and some of the smaller cities in the region are in compression. (See discussion in Attachment #2)
- A levy is generally in place for a limited number of years before going back for voter approval of a renewal.
- Public opposition to general tax increases

C. Real Estate Transfer Fee. A real estate transfer fee is a fee charged at the time of sale or transfer of real estate. The fee is typically paid by the seller. The fee discussed by the Committee assumed commercial property transactions would be exempted and the fee applied only to residential sales. The structure of real estate transfer fees varies widely, but it is a common fee in at least 37 states and many local communities across the country, including Washington and California.

Pro's:

- Strong nexus to affordable housing issue
- Revenues reinvested into the housing industry
- Once in place, the fee will provide stable funding
- Funds flexible and can be used for capital, operations, homeownership, rent assistance
- Does not compete with funding of other public services - schools, public safety, parks
- Funds could be dedicated through legislation to housing programs only
- Fee paid when property sold (average home sells every 5-7 years), not an general tax paid annually by all residents
- Fee can be designed to reduce and/or completely eliminate impact on lower priced homes

Con's

- Not allowed under current Oregon law. Current statutory pre-emption requires action by the Oregon legislature, an act that has not been successful in the past.
- Opposed by the realtors associations
- Could be perceived as 'new' tax

D. Local General Fund Allocations. All local governments have the option to allocate a portion of their general funds to affordable housing programs. Some jurisdictions have chosen to do so. Demands for general fund dollars have increased and property tax limitations have squeezed the availability of funds in most jurisdictions.

Pro's:

- Highly flexible funds that can be used for capital, operating cost and other forms of subsidy
- Decided by elected officials, jurisdiction by jurisdiction.

Con's

- Would not provide a regional solution as different jurisdictions have widely varying funding capacity and/or commitments to fund affordable housing programs with existing limited resources.
- Would not be long term or stable as jurisdictions could change commitments and allocate funds to other programs in annual budget process.
- Would compete with demand for funding of other public services
- Subject to property tax limitations and compression

E. Mortgage Interest Deductions. A member of the Committee suggested that the Committee consider a reduction or cap on the home mortgage interest deduction for Oregon income tax payers. The Committee looked at 1) capping the mortgage interest

deduction at \$20,000 per year and 2) elimination of the mortgage interest deduction for mortgages on other than the taxpayer's primary residence.

Pro's:

- The strong nexus with the affordable housing issue
- Highly flexible funds that can be used for capital, operating cost and other forms of subsidy

Con's

- Requires change in Oregon tax code by the Oregon legislature
- Could be perceived as "a new tax"
- Such a change would be extremely politically unpopular
- The amount of money raised statewide would not be sufficient to address regional affordable housing needs
- Legislature could allocate funds to other programs

F. **Summary Recommendation.** Based on a thorough evaluation of each of the potential funding sources, the Committee concluded that the real estate transfer fee is the preferred new source of funding for affordable housing programs in the metropolitan area.

Key reasons include:

- Provides long term, stable funding
- Strong nexus between the source and use of the funds
- Stimulates local economy through direct investment in housing market
- High spending flexibility
- Can be designed to reduce and eliminate impact on low income households
- Does not compete with demand for funding of other public services
- Although not enough to solve problem, enough to make significant impact
- Is not a general tax increase

The Committee recommends that the fee be kept small, probably less than 1% of sales price, apply only to residential properties, and be designed to minimize the impact on lower priced housing by exempting lower prices homes.

4. POTENTIAL USES OF FUNDS

The Committee discussed the broad program areas that could be funded and the people who should benefit from housing assistance programs. They agreed that these are low-income people with disabilities, low-income seniors, people who are homeless or are at risk of being homeless, and low-income families. They also discussed the value of homeownership as a tool for wealth creation and for building community stability and livability. They agreed that it is critical for the public to understand and support the goals of programs to be funded and that accomplishments are measured and reported regularly. The Committee also emphasized that maximizing the leverage of private equity as well as other public funds is critical to a successful strategy.

The Committee endorsed the concept that the eligible uses and the method for allocation be tied to the housing plans of local jurisdictions, such as the Consolidated Plans. These locally developed and adopted plans reflect local needs, markets, and priorities. They also are action plans for use of federal dollars coming to cities and counties and articulate identified and documented community priorities. To facilitate efficient distribution and monitoring of funds,

the Committee felt that using existing housing agencies and programs would be key. This would include agencies at the city, county, and state level in partnership with local private housing developers and non-profit organizations.

The Committee requested research to assess the level of public understanding of the need, the baseline level of support for affordable housing programs, and who should be served with new resources. This research will help in the design of a winnable strategy that balances political realities with the desire to serve those most needy.

Proposed Program Areas

The proposed program areas are:

- Rental Preservation and Production
- Homeownership
- Rental Assistance
- Rental Operating & Maintenance
- Administration

These program areas are summarized on Attachment #7, *What are Eligible/Preferred Activities for New Funds?*

- A. **RENTAL PRESERVATION AND PRODUCTION.** Provides project funding for new construction, acquisition and rehabilitation of existing units, and land acquisition for future projects. Additionally funds could be used to reprogram the rent structure of existing projects to achieve greater affordability. Provides housing options for low-income people with disabilities, low-income seniors, people who are homeless or are at risk of becoming homeless, and low-income families.

The Committee agreed that the largest share of funding should be targeted to serve people with the greatest need. Projects could be mixed-income and/or mixed use, in order to achieve neighborhood revitalization and project stability. Committee did not make a recommendation on the percentage of funds targeted to specific income levels (0-30% MFI or 30-50% MFI)

- B. **HOMEOWNERSHIP.** Provides funding for financial products assisting low-income families in becoming homeowners. Products could include down payment assistance, interest rate buy downs, shared-appreciation or other subsidized mortgages, and land trust or other shared equity models. Funds could be used for needed repairs on older homes or short-term construction financing that lowers the purchase price on newly built units. The success of homeownership programs is dependent on adequate credit counseling and homebuyer education before purchase. Homeownership brings financial stability to families and to neighborhoods.

- C. **RENTAL ASSISTANCE.** Provide funding for local rent assistance programs. Jurisdictions currently sponsor a variety of successful rental assistance programs that complement the Federal Section 8 and Shelter Plus Care programs that provide long-term

rent assistance vouchers. Examples of these local programs include Transitions to Housing, Rent Assistance Supplement Program (RASP), and Housing Connections Access Services. Rent assistance programs can also provide emergency, short-term financial help to stabilize families facing temporary economic hardship. This type of support fosters family, school, and neighborhood stability. Other programs help people transition out of homelessness by providing move-in assistance and support until families stabilize. The City Club of Portland recommends rent assistance vouchers. Their analysis shows that local governments cannot build their way out of the affordable housing crisis due to the cost of new construction.

D. RENTAL OPERATING AND MAINTENANCE. The goals of this proposed program are to provide a decent living environment for very low-income residents, to ensure the long-term financial viability of the publicly funded units, and to promote neighborhood livability. Funding in this category would be used to assist agencies with units serving extremely low income residents to provide a decent, safe and secure living environment for the residents and their neighbors. Without assistance, these projects may have a difficult time sustaining financial viability and contributing to neighborhood stability because the rent revenues may not cover the project's operating and reserve requirements. These properties may have a need for extra on-site support for tenants (enhanced property management) to enable individuals and families to be successful residents. This type of expenditure would require accountability from participating property owners by including provisions such as minimum maintenance standards, affordability requirements and recapture mechanisms in the event of the owner's failure to live up to the program's provisions.

E. ADMINISTRATION. Funds should be administered by existing housing agencies/programs. Costs of administration should be as low as possible, with a goal of no more than 6% and include clear expectations and provisions for ensuring accountability.

5. RECOMMENDATIONS

A. Uses: The allowed uses/program areas should be consistent with plans developed and adopted by local jurisdictions within general regional guidelines: Rental preservation and production for very low-income families, seniors, people with disabilities, and people who are homeless; targeted homeownership programs; rent assistance; and a limited amount for rental property operations and maintenance for those projects requiring enhanced property maintenance.

B. Geographic Scope: The new funding source should be implemented throughout the tri-county metropolitan area that includes Washington, Multnomah, and Clackamas counties. A statewide source is preferable to address the growing housing affordability crisis in other Oregon communities such as the Ashland-Medford area, the Bend-Redmond area and along the coast. A local pilot program could provide valuable data on a long-term statewide solution.

C. Administration: New revenues should be administered by existing housing agencies/programs. Costs for administration should be as low as possible, with a goal of

no more than 6% and include clear expectations and provisions for ensuring accountability.

- D. **Preferred Source:** Real Estate Transfer Fee (RETF). Keep it small, preferably no more than 1%, applied to residential sales only, and include an exemption for lower priced homes. The ability to implement the RETF will require action by the State Legislature. Consider a pilot program with a 5 year sunset provision. The actual rate and structure to be determined based on polling, discussions with interested parties, and assessment of political support.
- E. **Amount:** Needs to be enough “to make a difference”, but not so much that it creates “sticker shock”. Final amount and structure to be determined based in part on research and political support. Committee discussed a range between \$50 million and \$100 million annually for the region as a goal. They acknowledged that it would take many years to solve affordable housing problem at the lower end of range.
- F. **Steering Committee:** Establish a Resource Development Steering Committee to oversee market research and refine strategy recommendations. Steering committee will function as a subcommittee and report to full Committee in the fall of 2004.
- G. **Coalition Building:** Build a broader coalition that includes organizations and agencies that promote economic development, community stability, and livability as well as the housing industry, financial institutions, and hunger and social service providers.

6. KEY CHALLENGES

The Committee recognizes that implementation of the recommendations will be take considerable amount of additional work and ongoing commitment by members of the Committee and partners in the greater community.

Some of the key challenges to address and overcome are:

- Need for legislative action to allow local governments access to a RETF
- Historically, the expansion of a RETF beyond Washington County has faced organized opposition
- Competing needs for scarce public resources
- Voter tax fatigue
- Resources are inadequate to completely solve the affordable housing problem
- Limited public awareness of housing affordability crisis

7. ATTACHMENTS

1. Summary of Preliminary Market Assessment
2. What is Affordable Housing in Portland?
3. Housing's Direct Economic Impact
4. Snapshot of Regional Housing Funds and Production: Federal, State and Local Funds
5. Potential Use of Real Estate Transfer Fees to Fund Affordable Housing Development
6. Summary of Potential Funding Sources
7. What are Eligible/Preferred Activities for New Funds

To review additional background material, please go to <http://www.pdc.us/hsg-brc/>

Attachment #1

McCAIG COMMUNICATIONS OPINION RESEARCH

To: Regional Blue Ribbon Committee
on Housing Resource Development

From: Patricia McCaig

Date: April 27, 2004

Re: Summary of Preliminary Market Assessment

I've reviewed the work of the Regional Blue Ribbon Committee on Housing Resource Development (Committee) and the preliminary draft report recommendations. The Committee's work defined the overall affordable housing needs for the region, established core priorities, and identified a funding source. The Committee's charge to develop a new source of long-term stable funding to meet affordable housing needs in the Portland Metro area led them to the real estate transfer fee as the preferred funding mechanism. The RETF meets the Committee's goals of flexibility, stability, and provides a new source of revenue.

As the Committee recommended, their work to date should now be tested and further informed by quantitative and qualitative research. (Additional research will probably be necessary in 12-18 months to reform and refine the package and test specific messages.) Quantitative research now would provide the Committee with a better understanding of the public's awareness of affordable housing needs, the level of support for funding affordable housing programs, and reactions to the proposed funding mechanism. Additionally, this research could test support for different housing priorities as well as different combinations of programs to guide the development of an affordable housing package.

Based on the Committee's work, I reviewed existing quantitative and qualitative research for key findings that could provide additional insights to help inform the development of a "winnable strategy" and the next level of research. The review includes statewide and local surveys, regional and statewide focus groups, recent focus groups done for the Regional Housing Managers and a cursory review of the campaigns for real estate transfer fees around the country.

GENERAL FINDINGS

Affordable Housing

- In recent focus groups most participants agree housing is expensive and becoming unattainable for more people.
- Participants in regional focus groups could identify groups of people who cannot secure housing they can afford.
- In public and voter surveys conducted statewide, affordable housing does not surface as a top tier concern.
- In some local community surveys, housing quality and housing density are mentioned by respondents as issues of concern.

Generally the public supports some sort of assistance for:*

- Keeping seniors in their homes;
- Preserving and rehabilitating existing low income housing;
- Providing care services to low income citizens who are disabled or can't live independently; and
- Families (children).

General/Government

- Oregonians think the state is headed in the wrong direction and hold local and state officials responsible.
- The economy, jobs, and education (funding and quality) are the issues of greatest concern to most Oregonians.
- Confidence in government is mixed – the public expresses skepticism about government generally, however on specific programs they often indicate they are satisfied with the service.
- When asked in a statewide survey whether local government made their community a better place to live, no difference, or less appealing, just over half (51%) of respondents found local government made their community more appealing, only 38% believed state government made their community more appealing, and as many people thought the federal government made their community LESS appealing (29%) as more appealing (28%).

Community

- Respondents believe small business (86%), colleges and universities (85%) and nonprofits/charities (82%) make their communities more appealing.
- Small town feel, neighborliness, quality of life are the top reasons given for why people like their community.
- Oregonians are equally divided, 1/3, 1/3, 1/3, on whether their community will be better, about the same or worse in 10 years.
- Most Oregonians believe it is likely that the gap between rich and poor will grow and most see it as undesirable

*Test again

- Many Oregonians think we're doing a very good or good job helping families in need.
- Although Oregonians may think we are off on the right track, their feelings about Oregon remain positive.
- Participation in family is the most intense and important core value for Oregonians.

Real Estate Transfer Fee Campaigns

- Many states do have a RETF and those that do seem to have both a state levied RETF and have legislated authority for cities and/or counties to levy one as well.
- Voter approval requires a researched, funded, disciplined, and strategic approach.
- Successful campaigns isolate or eliminate formal opposition.
- The purposes towards which the RETF monies are applied vary. In most cases the purpose is deemed a high priority or even a crisis situation. In addition to affordable housing, uses include open spaces, parks, and transportation. In only one state did the money go directly to the general fund.
- The percent, exemptions, and safeguards vary from state to state and should improve the viability of the package.
- Florida's Housing Trust Fund has been funded by a RETF for over twelve years, it is supported by the Florida Association of Realtors and the Homebuilders.

OBSERVATIONS

The Committee has assembled the initial elements of a regional affordable housing proposal, including the funding mechanism, with long-term success in mind. The success of this effort is dependent now on developing a strategy that recognizes the challenges, accurately assesses public opinion, and maximizes existing conditions. Based on the Committee's work, what we know from existing research, the challenges facing any funding proposal, and the current climate in Oregon, the next steps in developing a "winnable strategy" should include exploring a range of strategic options.

From the Committee's work and existing conditions, I've identified four different strategic approaches that the Committee could consider as they develop their research.

#1 Build Awareness and They Will Come

This is based on an assumption that if voters understand the need and urgency of the affordable housing crisis they will ultimately support funding a solution. This strategy assumes that proposing the 'right' package and building awareness and mobilizing supporters will help the 2005 legislative strategy and ultimately deliver at the polls. (Closest example = Seattle's compassion for lower income and special needs populations.)

The Committee has indicated an interest in this direction with its recommendation to increase public awareness of affordable housing needs and build support for a regional solution. Polling needs to confirm that:

- a. Increasing public awareness will result in increased public support for funding affordable housing programs;
- b. Increased public awareness and building support for funding could withstand opposition arguments; and
- c. Proposing a regional solution enhances support for the proposal.

#2 Build Awareness PLUS and They Will Come

Basically this is the same as above but looks for broader community benefits like reducing crime, producing jobs, and stabilizing schools and communities to push it over the top. (Closest example = Charlotte's compassion and good for all. Housing with economic development benefits.)

#3 Share the Wealth

This strategy incorporates affordable housing into a broader and bigger package with benefits that stretch across interest groups and constituencies. It increases the number who benefit from the RETF. (Closest example = Baltimore's Help Shape Our City's Future. Parks, schools & housing.)

#4 Give It BACK

Is there a potential ballot title strategy that taps into voter support for local control? Explore ballot title language authorizing local control.

Conclusion

Research will help you understand where you begin, the strengths and weaknesses of your proposal, and direct you towards a winnable strategy. Meeting regional affordable housing needs will take a strategy that captures and uses existing conditions to achieve the desired outcome. There's a substantial difference between trying to bring the public/voters to where you want them to be and finding a way to intersect with where they are.

The findings from the research could also prove very valuable in developing a 2005 legislative strategy to remove the statutory barriers to local implementation of a real estate transfer fee.

Attachment #2

What is Affordable Housing in the Tri-county?

Information for Clackamas, Multnomah, & Washington Counties.

Fair Market Rent (FMR) for Metropolitan Area: 1 BR/\$644 2 BR/\$795 3 BR/\$1106 4 BR/\$1200

<u>One Person Household</u>				<u>Four Person Household</u>		
	Annual Income	Converted to Hourly Wage	What is Affordable	Annual Income	Converted to Hourly Wage	What is Affordable
30 %	\$14,250	\$6.85	\$356	\$20,350	\$9.58	\$501
Median Family Income	4/5 time fast food worker, 3/4 time child day care worker or 3/4 time parking lot attendant.			Full time personal and home care aide, painter/wallpaper hanger or janitor.		
50%	\$23,750	\$11.42	\$594	\$33,950	\$16.32	\$835
Median Family Income	Full time retail salesperson, reservation/ticket agent or receptionist.			Full time construction laborer, meter reader or postal service mail sorter		
80 %	\$38,000	\$18.27	\$950	\$54,300	\$26.11	\$1,336
Median Family Income	Full time cement mason, advertising sales agent, paralegal or credit analyst.			Full time database manager, landscape architect, technical writer, or insurance salesperson.		
100%	\$47,550	\$22.86	\$1,189	\$67,900	\$32.64	\$1,671
Median Family Income	Full time medical lab technician, computer programmer, or insurance claims adjuster			Full time industrial engineer, human resource manager, police supervisor or software engineer		

Sources: City of Portland, Bureau of Housing and Community Development 2004 median family income (MFI) levels for Portland/Vancouver; Oregon Employment Department wage information, 2003

Using This Information

Median Family Income (MFI) is a term used often in talking about housing. As a statistic, median refers to the middle number. So given 101 people, person number 51 would be the middle, or median. The median family income for Portland, then, indicates the amount of household income for the middle family among all the families in the city.

Hourly wage assumes 40 hours/week, 52 weeks/year. "What is affordable" figures are 30% of total income and should cover rent (or mortgages and taxes) plus utilities. The 30% of income standard of affordability is used by the Federal Department of Housing and Urban Development.

This information is supplied by Community Development Network and Portland Development Commission.

For more information contact Community Development Network.
2627 NE MLK Jr. Blvd., Portland, OR 97212
503-335-9884. mike@cdnportland.org

Attachment #3

HOUSING'S DIRECT ECONOMIC IMPACT

The National Association of Homebuilders reports that although it's difficult to gauge the indirect impact, the direct impact of residential construction on the economy is significant.

Residential construction stimulates the economy directly by generating jobs, wages and tax revenues and indirectly as the demand for goods and services created by the construction of new homes "ripples" through the economy.

- **Impact of Single-Family Construction**

The construction of 1,000 single-family homes generates 2,448 full-time jobs in construction and construction-related industries; \$79.4 million in wages; and \$42.5 million in combined federal, state and local revenues and fees.

- **Impact of Multifamily Construction**

The construction of 1,000 multifamily units generates 1,030 full-time jobs in construction and construction-related industries; \$33.5 million in wages; and \$17.8 million in combined federal, state and local tax revenues and fees.

The Joint Center for Housing Studies of Harvard University reported in the *State of the Nation's Housing* that residential investments account for nearly one-fifth of the GDP (Gross Domestic Product). The report also discussed the benefits of homeownership state and how increased homeownership equals increased spending and increased net wealth.

- **Impact of Homeownership**

- In 2001, the median net wealth of the lower-income owners was \$68,000 while that of the lowest income renters was only \$500.
- For the homeowners, home equity accounted for 80% of their total net wealth
- It is estimated that households spend \$150 for every \$1,000 gain realized from a home sale or home equity.

The Association of Oregon Community Development Organizations recently completed a study on the economic impact of the State of Oregon's investment in non-profit-based housing development. The report summarized that a \$94 million investment resulted in:

- 7,562 affordable housing units were developed
- \$408 million was leverage in funding from federal and private sources
- Economic Impact of the development projects was 12,200 jobs, \$393 million in wages, and \$23.2 million in state income taxes during the construction phase and the construction "ripple".

It was estimated that the ongoing annual impact of the developments resulted in over 800 jobs, \$23.5 million in wages, and \$1.4 million in state income taxes. This assessment does not take into account the impact locally in property tax revenues and development fees.

ECO Northwest, *The Economic and Fiscal Impacts Associated with the Proposed Redevelopment of Columbia Villa*, estimated the impact of the \$152 million Housing Authority of Portland HOPE VI redevelopment project. The project will generate up to:

- 1,325 jobs
- \$40.4 million in wages
- \$22.4 million in small business and other income
- Firms and individuals involved in the construction work will pay \$5.5 million in state and local taxes.
- Federal housing subsidies will boost spending by low-income households in Portland which will further support 250 jobs, \$7 million in wages, \$5 million in income, and \$1.3 million in state and local taxes.

ECO Northwest also estimated that for:

- Every one construction job generated by the New Columbia HOPE VI project would generate an additional 1.38 jobs elsewhere in the Portland economy
- Every dollar in construction wages generates an additional \$1.43 in wages for workers in other sectors of the economy.
- Every \$1,000,000 in construction spending in Portland created 15 jobs, \$456,000 in wages, \$87,500 in income to businesses, and \$164,800 in other income such as profits and corporate dividends.

Resources:

- National Association of Homebuilders [www.nahb.org]
- *State of the Nation's Housing 2002* and *State of the Nation's Housing 2003*, Joint Center for Housing Studies of Harvard University. [www.jchs.harvard.edu/publications/markets/index.html]
- *State Economic Impact of Affordable Housing Development 2003*, Association of Oregon Community Development Organizations [<http://www.aocdo.org/docs/EcoDevoStudyFinal.pdf>]
- *The Economic and Fiscal Impacts Associated with the Proposed Redevelopment of Columbia Villa*, ECONorthwest

Attachment #4



DATE: January 23, 2004

TO: Regional Blue Ribbon Committee on Housing Resource Development

FROM: Blue Ribbon Committee Staff

RE: Snapshot of Regional Housing Funds & Production:
Federal, State and Local Funds

FEDERAL FUNDS

Table 1 (below) shows annual average housing production for the three regional counties based on project spending over the last five years. Combined, the three counties spend approximately **\$9.5 million annually in federal funds** for housing production. They produce **744 units** annually with CDBG and HOME funds. Other HUD funds administered by jurisdictions include additional CDBG, public housing support, Section 8 vouchers, new 202 and 811 (elderly and disabled), and a number of homeless grants (including emergency shelter, support services and transitional housing).

Table 1: Federal funding and unit production by county

Program Area	Clackamas County		Multnomah County		Washington County	
	Funds	Units	Funds	Units	Funds	Units
Rental rehab & new construction	785,009	103	4,164,750	212	1,122,104	112
Homeowner rehab	384,840	26	1,777,965	194	186,950	24
Homebuyer assistance	237,675	8	798,340	61	58,200	3
TOTAL	\$1,407,524	137	\$6,741,055	467	\$1,367,254	140

NOTE: These figures are not audited and therefore are an estimate. Multnomah County production includes Portland and Gresham. Washington County includes the County and Beaverton.

STATE FUNDS

The CFC invites project developers to apply for state grants and tax subsidies to develop housing for lower-income Oregonians. Funds are provided through a number of programs, including: 1) Housing Development Grant Program (Trust Fund), 2) HELP Program, 3) Low-income Housing Tax Credit Program (LIHTC 9% credits), and 4) Oregon Affordable Housing Tax Credit Program (OAHTC). Most units funded in these cycles also receive local jurisdiction funding, including locally-administered federal CDBG and HOME funds. Due to this overlap it is difficult to consider CFC and local housing production separately.

In addition to the CFC, housing developers can apply for 4% tax credits when they have secured tax-exempt bonds. These projects tend to have less local jurisdiction participation and they do not reach extremely low-income

populations because there is not enough direct funding support. There is more information about these 4% tax credits in the following section.

A snapshot of state funds to the metro area:

- The state funds an average of 409 units annually through the CFC
- Average annual trust fund award to the area is \$884,000
- Average annual value of 9% tax credits is about 19.5 million
- Average annual value of OAHTC savings is about \$21 million
- Average value of 4% tax credits is \$22,500,00 awarded to an average of 936 units

LOCAL FUNDS

Clackamas County uses an average of \$200,000 of local mental health funds annually to acquire land and construct and rehab group homes serving special needs clients. Examples include: 1) \$250,000 for a property that was utilized for a 19-unit HUD 811 (disabled) project, and 2) \$450,000 for a property that was developed into a 44-unit facility.

The County has provided HOME and CDBG funds to most tax-credit projects in the County which has enabled the projects to serve a lower-income population which requires more significant subsidies. The County has also used bond financing and urban renewal funds to acquire existing rental properties.

Multnomah County

Portland – The City of Portland has two sources of local funding: urban renewal and the housing investment fund.

1. Urban Renewal Funds (TIF) have produced an average of 563 units annually across its nine Urban Renewal Areas with average annual funding of \$14.3 million. While some projects funded (the Danmoore) serve almost exclusively extremely low-income people, other projects (Museum Place) serve people with a wider range of incomes. Because four of the 10 renewal districts are expiring in the next five years, there will be a significant drop in the annual average production going forward.
2. The Housing Investment Fund (HIF), a \$30 million general fund allocation, was created by the Portland City Council in 1996. Since its inception, 2,594 rental units have received HIF funds. Average production over the last five years has been 180 units. There have been no new allocations to this fund although there is a nominal income stream.

Because Portland has contributed significant local funding beyond its CDBG and HOME funds, it has been able to underwrite projects for lower-income residents than would have been possible with only 4% tax credits. Specifically, almost half of the 4% tax credit projects awarded to Multnomah County have been leveraged with the City's federal, TIF, and/or HIF resources (16 projects with 2,193 units over the last five years).

Gresham – The City of Gresham voters approved the adoption of an Urban Renewal Plan for Rockwood-West Gresham in November 2003. Goal 3 of the Plan is to "Increase the availability of quality housing." This includes "making ownership housing more available in terms of the number of units and their affordability for a range of household incomes, and improving the quality of existing rental housing while preserving affordability."

Washington County has been innovative in leveraging conduit revenue bonds, housing authority bonds, private activity bonds, and Low Income Housing Tax Credits. Its Affordable Housing Program averages 250 units annually of new construction or rehab rental housing outside of the production with federal funds. Of the five projects funded so through this program, one has received 9% tax credits and three have received 4% tax credits.

Special thanks to staff of Beaverton, Washington County, Clackamas County, Gresham, Portland, Oregon Housing and Community Development, and Department of Housing and Urban Development for providing information and guidance on this document.

Attachment #5

Memorandum

From: Janet Byrd
To: Regional Blue Ribbon Committee on Housing Resource Development
RE: Potential Use of Real Estate Transfer Fees to Fund Affordable Housing Development
Date: November 21, 2003

The study "New Funds for Affordable Housing" addresses two funding options available to local governments, tax levies and bond issues. It does not address a third, viable option, Real Estate Transfer Taxes, which have long been recognized as a potential source of dedicated funding. Most recently, METRO's Regional Affordable Housing Strategy recommended a RETF as the best funding source to meet the affordable housing needs of the region⁽¹⁾. This memo will briefly discuss the uses of real estate transfer taxes in other cities and states, the potential use of real estate transfer taxes in Oregon, and legislative barriers to the use of this tool.

Real Estate Transfer Fees Defined

Real Estate Transfer Fees are small fees charged at the time of sale or transfer of real estate. Fees are usually a small percentage of the sale value, ranging from .25 to 1.5%, or can be a flat dollar amount on each dollar increment of sale price (e.g. Nebraska charges \$1.75 per \$1,000 of sale price).

Real Estate Transfer Fees capture a small part of the appreciation in property values at the time of sale of a property, when that value is realized. Real Estate Transfer Fees make sense as a permanent financing tool for affordable housing in large part because of this link to the housing market.

Revenue Estimates

A Real Estate Transfer Fee would make a significant difference in our ability to meet the housing needs of our communities. A small (.5%) statewide fee could raise as much as \$50 million a year, depending on the property categories subject to the fee and the structure of any exemptions.

Estimates based on 2002 property sales are that a fee of .5% enacted in the Portland metropolitan area would generate \$25 to \$30 million a year for housing. A fee within the City of Portland would generate \$7 to \$10 million a year.⁽¹⁾ This would make a good start towards meeting the needs of the region for affordable housing for a wide range of residents.

Structural Options Protect Vulnerable Populations

Real Estate Transfer Fees can be designed to be progressive and to protect economically vulnerable populations. Certain sales can be exempted from the fee, for example, homes selling for less than 80% of the median sales price, or homes purchased by first-time homebuyers. Low income seniors selling their primary residence could also be sheltered from the fee.

Real Estate Transfer Fees In Other States

Thirty-seven states have a Real Estate Transfer Fee of some sort in place. These fees are also called document recording fees, or document stamp taxes. While many states use them for general revenue

or to pay for infrastructure costs associated with development, twelve states use their real estate transfer fees or documentary stamp taxes as dedicated revenue streams for housing trust funds ⁽²⁾.

The Florida Housing Coalition, which includes the Florida Association of Realtors and Florida Home Builders Association, successfully lobbied 12 years ago for an RETF to fund an ambitious housing trust fund. The trust fund enabling legislation has a complex allocation formula which assures geographic distribution as well as distribution between uses of funds. Advocates can track their success in every county and locality throughout the state of Florida. Business interests continue to work with advocates to keep the program intact.

Closer to home, California has local RETFs of .5 % to .75%, and Washington has a statewide fee of 1.28% plus optional local RETFs of up to .5% additional. Clark County Washington has Real Estate Transfer Fees ranging from 1.28% to 1.78%. Washington state also enacted a document recording fee in 2002 which funds affordable housing statewide.

Real Estate Transfer Fees Can Stimulate the Market, Create Jobs

The National Alliance of Homebuilders estimates that the construction of 1,000 single-family homes generates 2,448 jobs in construction and construction-related industries, approximately \$79.4 million in wages, and more than \$42.5 million in federal, state, and local tax revenues and fees. The construction of 1,000 multifamily homes generates 1,030 jobs in construction and related industries, approximately \$33.5 million in wages, and more than \$17.8 million in federal, state and local tax revenues and fees. ⁽⁴⁾

A Real Estate Transfer Fee dedicated to funding affordable housing programs would stimulate the Oregon economy while providing funds to preserve our communities and meet essential needs.

Current Real Estate Transfer Fees in Oregon

Oregon now has a small statewide document recording fee, imposed at the time of recording of certain kinds of property sales. Fees are limited to \$11 per transaction, and the funds are divided between the county assessors and the county general funds. Local real estate transfer fees are pre-empted by the same statute.

Washington County has a small (.1%) Real Estate Transfer Tax which pre-dates the preemption provision in Oregon law. This revenue goes into the county's general fund.

Real Estate Transfer Fees and the Oregon Legislature

Expansion of the document recording fee in Oregon, and the right of local governments to impose their own RETFs, has been a hard fought issue in the Oregon Legislature for many years (see Legislative History). Several elements of the 2003 effort can be highlighted as important components in a future effort.

- ◆ Local government representation in the effort to lift the preemption should be as broad as possible. The lobbying presence of the City of Ashland in the 2003 session made a significant difference by building support among non-metro area legislators.
- ◆ A strong and workable proposal for the collection and oversight of funds has now been developed. The proposal features local ability to design a program that meets specific community needs while providing state oversight to ensure that statutory goals are met. Accountability and minimal administration costs were included in the proposal as well, to forestall challenges on those grounds.
- ◆ Coalition building efforts which look beyond the affordable housing community should be prioritized. Legislators began to tie the housing and hunger issues more closely in 2003, and saw housing as a critical support for vulnerable populations facing other service cuts.

NOTES:

1. Regional Affordable Housing Strategy, METRO, Portland, Oregon, July 2000, page 71, Chapter Five, Recommendations
2. Estimates prepared by Oregon Housing and Community Services Department, May 2003
3. Housing Trust Fund Progress Report 2002, Housing Trust Fund Project of the Center for Community Change, Frazier Park CA, June 2002. I've also added Ohio which passed a documentary stamp increase in mid-2003.
4. "Housing: The Key to Economic Recovery", National Alliance of Homebuilders, 2002

Legislative History

Real Estate Transfer Fees in Oregon

(compiled by Janet Byrd, spring 2003)

1989

In 1989 a statewide real estate transfer tax of \$20 per document was put in place with the revenue used to fund county assessors' offices. Transactions which were subject to the fee were somewhat limited. This tax had a sunset of July 1, 1998.

As part of a negotiated agreement between realtors and the assessors a preemption of local real estate transfer fees was enacted as part of this legislation. The local preemption had a sunset of January 1, 1994.

1997

In 1997 the real estate transfer tax funding assessors had to be re-visited because of the sunset on the 1989 law. Also in 1997, the Affordable Housing Coalition made a credible push for a statewide real estate transfer fee to be used to fund affordable housing and infrastructure development.

HB 3104 was introduced at the request of the Affordable Housing Coalition by Rep. Repine. It would have enacted a statewide Real Estate Transfer Tax. The proceeds would have been distributed among local governments for infrastructure development and affordable housing creation and preservation. The bill began with the support of the Home Builders, Oregon Bankers Association, and others but failed to move through the House.

HB 2049 was a proposal by the Department of Revenue to revise the system for funding property tax assessment functions and to ensure that these activities were being adequately performed and funded.

Realtors and counties made an agreement at the end of the session which amended HB 2049 and extended the then current system for one session. The deal also extended the sunset on the preemption of local RETTs to July 1, 2000. Affordable housing advocates were not a party to the negotiations.

Post-session, an interim workgroup was convened by the Department of Revenue. Parties included the Association of Oregon Counties; the county assessors; the Oregon Association of Realtors; the Home Builders; the Oregon Bankers Association; Cities; Schools; Special Districts; Associated Oregon Industries. Affordable housing advocates were not included in the Department of Revenue process.

1999

HB 2139 was a joint effort of assessors, counties, and realtors. This was the product of the interim workgroup described above.

The bill decreased the amount of the fee from \$20 to \$11 (\$10 to assessors, \$1 to counties). At the same time, it expanded the definition of transactions on which the fee is charged. This restructuring resulted in an increase in total revenue for county assessor offices.

This bill made the preemption of local real estate transfer fees permanent.

2001

In 2001 Oregon HOME, a coalition of Portland Metro-area elected officials and supporters, was formed to promote the creation of a Regional Housing Fund. HB 3400 was introduced and received a hearing in the House Revenue Committee.

The Regional Housing Fund concept provided for the creation of the Fund, and assessment of a .75% fee on real estate transfers, upon the vote of approval of two thirds of the governing body formed of representatives of each of the 27 jurisdictions within the urban growth boundary. Two thirds of the revenues were to be reserved for rental housing, one third for homeownership.

2003

In the most recent legislative session, the dynamic shifted considerably with the strong advocacy effort in Ashland for the lifting of the pre-emption on the Real Estate Transfer Fee. Strong support emerged in the Senate for a proposal which called for a pilot program in the two communities evidencing strong local support, Ashland and metro Portland.

Proponents advocated amendments to Senate Bill 863 which would have created a pilot program, establishing a Real Estate Transfer Fee of up to .5%, with the program to sunset July 1, 2007. Funds were to be channeled through Housing and Community Services – this would insure efficient administration and appropriate uses of funds. Local governments would submit annual plans to OHCS for approval, and then Local Housing Trust Fund revenues would be distributed accordingly.

A revenue collection mechanism was proposed which would require that sellers of property in affected counties pay the required fee to the Oregon Department of Revenue and receive a receipt. This receipt would be required for recordation of the sale at the county level.

Revenues raised for the Local Affordable Housing Trust Funds would be used for housing, with two kinds of uses allowed.

- ♦ Rental housing for low income households, which could include flexible programs as well as development (homelessness prevention, etc.). Allowable uses were proposed as: development, acquisition, rehabilitation, preservation and support of housing development for low income rental households, including seniors, people with disabilities, and people earning minimum wage.
- ♦ Homeownership programs for low/moderate income households – soft second mortgages, education, downpayment assistance

Oregon Revised Statutes
Section 306.815

Tax on transfer of real property prohibited; exceptions.

- (1) A city, county, district or other political subdivision or municipal corporation of this state shall not impose, by ordinance or other law, a tax or fee upon the transfer of a fee estate in real property, or measured by the consideration paid or received upon transfer of a fee estate in real property.
- (2) A tax or fee upon the transfer of a fee estate in real property does not include any fee or charge that becomes due or payable at the time of transfer of a fee estate in real property, unless that fee or charge is imposed upon the right, privilege or act of transferring title to real property.
- (3) Subsection (1) of this section does not apply to any fee established under ORS 203.148.
- (4) Subsection (1) of this section does not apply to any tax if the ordinance or other law imposing the tax is in effect and operative on March 31, 1997.
- (5) Subsection (1) of this section does not apply to any tax or fee that is imposed upon the transfer of a fee estate in real property if the fee that is imposed under ORS 205.323, for the recording or filing of the instrument conveying the real property being transferred is less than \$11. [1989 c.796 §29; 1997 c.782 §12; 1999 c.701 §6]

Attachment #6

SUMMARY OF POTENTIAL FUNDING SOURCES

	General Obligation Bond	Local Option Levy	Real Estate Transfer Fee (RETF)
Definition	Bond issued by jurisdiction and repaid over specified period (usually 10-25 yrs) from special property tax.	Additional local property tax earmarked for specific use (usually 3-7 yrs).	Small fee charged at the time of sale or transfer of real estate. (Also referred to as document recording fee).
Amount raised (estimate)	\$25 million/year (for 10 years) (250 M bond to be paid over 20 yrs)	\$25 million/year for levy duration (25M x 5 yrs = \$125M less amt reduced by compression)	\$25 to \$30 million/year ongoing (0.5% fee based on 2002 metro area residential property sales with 1 st \$80,000 exempted)
Cost to median income family (estimate)	\$37.10 to \$41.70/year x 20 years for \$742 to \$834 total (0.20 - 0.225/\$1,000 of \$185,500 median assessed value)	\$46.37/year for levy duration (0.25/\$1,000 of \$185,500 median assessed value)	\$527.50 when property sold \$185,500 (median assessed value) - \$80,000 = \$105,500 x 0.5%
Allowable uses	Government-owned capital projects only	<ul style="list-style-type: none"> • Rental rehab & new construction • Homeownership • Rental assistance • Rental operating and maintenance 	<ul style="list-style-type: none"> • Rental rehab & new construction • Homeownership • Rental assistance • Rental operating and maintenance
Project ownership	Government ownership and oversight required	No restrictions: not-for-profit; for-profit; homeowners; government	No restrictions: not-for-profit; for-profit; homeowners; government
Approval process	Popular vote required (simple majority in general elections; double majority otherwise)	Popular vote required (simple majority in general elections; double majority otherwise)	<ul style="list-style-type: none"> • State legislative action needed to allow RETF/document fee • Local jurisdiction approval and/or popular vote
Other considerations	<ul style="list-style-type: none"> • No deadline for expending funds • Not subject to Measures 5 & 50 • Cannot be coupled with tax credit financing • Raises predictable and guaranteed amount • Interest costs 	<ul style="list-style-type: none"> • Subject to Measures 5 and 50 • Money is raised evenly over duration • Raises unpredictable amount due to compression (Mult, Clack, Wash) • Competition against current and planned levies and general funds • No interest costs 	<ul style="list-style-type: none"> • Links source and use of funds • Can be tailored to minimize impact on low-income households • Statutory pre-emption in Oregon • Ongoing source • Oregon has \$11 document recording fee that goes to counties; Wash. Co. has local 0.1% real estate transfer fee that goes to general fund

SUMMARY OF POTENTIAL FUNDING SOURCES

General Fund		Mortgage Interest Deduction Cap Standard Deduction at \$20,000	Mortgage Interest Deduction Eliminate Second Home Deduction
Definition	Local government's allocation of general funds for a specific amount and purpose.	Homeowners could deduct up to \$20,000 per year in mortgage interest paid from their taxable income. Currently there is no maximum deduction.	Owners of two homes could no longer deduct the interest paid on a second mortgage from their taxable income.
Amount raised (estimate)	Varies by local jurisdiction	\$25 M/year statewide (based on the FY 2005-06) Regional allocation would depend on how legislation is written.	\$12 M/year statewide (based on the FY 2005-06) Regional allocation would depend on how legislation is written.
Cost to median income family (estimate)	Decreases in other services and/or increased taxes	<i>No Cost</i> to the median income family because the average Oregon mortgage interest deduction was \$8,743 in 2001.	<i>No Cost</i> to the median income family unless they own a second home.
Allowable uses	<ul style="list-style-type: none"> Rental rehab & new construction Homeownership Rental Assistance Rental Operating and maintenance 	No limitation unless stipulated in legislation.	No limitation unless stipulated in legislation.
Project ownership	No restrictions: not-for-profit; for-profit; homeowners; government	No Restrictions: not-for-profit; for-profit; homeowners; government.	No Restrictions: not-for-profit; for-profit; homeowners; government.
Approval process	Local jurisdictions support/approval	Revenue measure requiring 3/5 majority approval in the State Legislature.	Revenue measure requiring 3/5 majority approval in the State Legislature.
Other considerations	<ul style="list-style-type: none"> Subject to Measures 5 and 50 Unpredictable due to annual budgeting Local jurisdictions currently facing budget cuts Competition other general fund programs; public safety, parks, transportation, social service 	<ul style="list-style-type: none"> Cap would affect top 1.35% of Oregon taxpayers in 2001. HB 3052 was referred to the House Revenue Committee in the 2003 session. A public hearing was held and the bill died in Committee. Goes to state's General Fund and must compete with other programs. No other state targets mortgage interest deduction for additional limitations according to the National Conference of State Legislatures. 	<ul style="list-style-type: none"> Requires a change in the state tax form to separate reporting of first and second home mortgage interest deductions. Goes to state's General Fund and must compete with other programs. No other state targets mortgage interest deduction for additional limitations according to the National Conference of State Legislatures.

WHAT ARE ELIGIBLE/PREFERRED ACTIVITIES FOR NEW FUNDS?		
PROGRAM AREA	PROGRAM FOCUS	VARIABLES
Rental Preservation & Production (New Construction and Rehabilitation)	<ul style="list-style-type: none"> Provide housing for low income people including those with disabilities, the elderly, and the homeless; and low income working families Eligible projects include new construction, preservation/rehab, land acquisition and reprogramming rent structure of existing projects for greater affordability Projects could include mixed-income and/or mixed-use 	<ul style="list-style-type: none"> Land cost, density, construction type, existing unit conditions, income and population targets Availability of HOME, CDBG, 9% or 4% tax credits, CFC funding and project-based Section 8
Homeownership	<ul style="list-style-type: none"> Financial assistance to low-income working families Mechanisms could include down payment assistance, interest rate buy downs, shared appreciation or other subsidized mortgages, or land trust Eligible projects include new construction and existing homes with or without rehab 	<ul style="list-style-type: none"> Income level served Localized home prices and land cost Construction type (single-family, attached housing, condos) Current interest rates Funding mechanism used
Rental Assistance	<ul style="list-style-type: none"> Provide emergency, short-term financial help to stabilize families facing temporary economic hardship (school/ neighborhood stability) Provide move-in assistance, stabilization funds, and/or long term vouchers Complement to Federal Section 8 programs 	<ul style="list-style-type: none"> Rent levels Household income
Rental Operating & Maintenance	<ul style="list-style-type: none"> Building and property maintenance funding to units serving extremely low-income families and individuals Eligible uses include enhanced property management (extra on-site support for tenants with special needs) and funding replacement reserves 	<ul style="list-style-type: none"> Age of structure Unit turnover frequency Size of household Population served
Administration	<ul style="list-style-type: none"> Oversight of funds to ensure accountability, effective monitoring and reporting 	<ul style="list-style-type: none"> Current jurisdiction staff capacity

AGENDA ITEM # 11
FOR AGENDA OF August 17, 2004

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Review and Discussion of Council Groundrules

PREPARED BY: Joanne Bengtson DEPT HEAD OK lmm CITY MGR OK lmm

ISSUE BEFORE THE COUNCIL

Review and discuss Council Groundrules as established in Resolution No. 01-47.

STAFF RECOMMENDATION

Staff requests that the Council review and discuss the existing Council Groundrules to determine whether any modifications are needed at this time.

INFORMATION SUMMARY

The City Charter in Chapter IV, Section 13, notes that the Council shall adopt rules for government of it members and proceedings. Attached is the latest version of the Council Groundrules as outlined in Resolution No. 01-47. Council Reviewed the Groundrules in 2003 and the consensus at that time was that not changes were needed.

OTHER ALTERNATIVES CONSIDERED

N/A

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

N/A

ATTACHMENT LIST

1. Resolution No. 01-47

FISCAL NOTES

N/A

CITY OF TIGARD, OREGON

RESOLUTION NO. 01- 47

A RESOLUTION REVISING THE POLICY OF THE CITY COUNCIL REGARDING COUNCIL
GROUNDRULES AND AGENDA PROCESS (SUPERSEDING RESOLUTION NO. 00-52)

WHEREAS, the Tigard City Council periodically reviews Council Groundrules; and

WHEREAS, the City Council, on July 10, 2001, directed that changes be made to "Exhibit A" of the City
Council Groundrules and Agenda Process; and

WHEREAS, it is the desire of the City Council to make the changes discussed, which will supersede
Resolution No. 00-52.

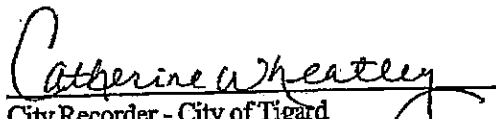
NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The City Council hereby revises the Council Groundrules as described in Exhibit "A"
attached.

PASSED: This 24th day of July, 2001.



Mayor, City of Tigard



City Recorder - City of Tigard

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RESOLUTION NO. 01- 47

Page 1

EXHIBIT "A"
Resolution No. 01-47

CITY COUNCIL GROUND RULES AND AGENDA PROCESS

The following information is intended to assist with preparation for and the conduct of City Council meetings. The City Charter, Article IV, Section 13, contains regulations that govern Council meetings. The Groundrules describe the process followed by Council in scheduling and conducting meetings.

Council/Mayor Roles

- The Mayor, or in the absence of the Mayor, the Council President, shall be the Presiding Officer at all meetings. The Presiding Officer shall conduct all meetings, preserve order, enforce the rules of the Council and determine the order and length of discussion on any matter before the Council, subject to these rules. The Presiding Officer may move, second, debate and vote and shall not be deprived of any of the rights and privileges of a Councilor. The Presiding Officer shall sign all ordinances, resolutions, contracts and other documents, except where authority to sign certain contracts and other documents has been delegated to the City Manager and all documents shall be attested to by the City Recorder. The Mayor shall appoint the committees provided by the Rules of Council.
- In all other actions, decisions and other matters relating to the conduct of business of the City, the Mayor or President shall have no more or less authority than any other Council member. For the purposes of this written procedure any reference to the Council (unless otherwise specifically noted to the contrary) will include the Mayor, President and Council members.

Conduct of City Meetings

- Council will meet at least once a month. Regularly scheduled meetings shall be on the second, third, and fourth Tuesdays of each month.
- The Council meetings on the second and fourth Tuesdays are "Business" meetings; the Council meetings on the third Tuesday of the month are "Workshop" meetings unless otherwise designated by the City Council.
- Unless specifically noted otherwise, the meetings of Council shall begin at 6:30 p.m. at the established place of meeting. On the second and fourth Tuesdays the meetings will begin with a Study Session following by the Business meeting. On the third Tuesday, the Workshop meeting will begin at 6:30 p.m.
- Roll Call/Voting Order: The roll shall be called in alphabetical order by last name. At each succeeding meeting at which a roll call vote is taken, the council person who voted last during the previous meeting, shall vote first and the Council person who

voted first during the preceding meeting shall vote second and so on in a rotating fashion. It is the intent that the voting order remain fixed for each meeting and that a different Council person shall vote last during each separate meeting for the duration of the meeting.

- Charter Section 19 provides that 'the concurrence of a majority of the members of the Council present and voting, when a quorum of the Council is present, at a Council meeting shall be necessary to decide any question before the Council.' A Council member who abstains or passes shall be considered present for determining whether a quorum exists, but shall not be counted as voting. Therefore, abstentions and 'passes' shall not be counted in the total vote and only votes in favor of or against a measure shall be counted in determining whether a measure receives a majority.
- The Chair, or other members if the Chair fails to remember, shall call for a Point of Order at or around 9:30 p.m. to review remaining items on the agenda with the Council. The Council may reset or reschedule those items, which it feels may not be reached prior to the regular time of adjournment.
- The Council's goal is to adjourn prior to 10 p. m. unless extended by majority consent of all Council members then present. If not continued by majority consent, then the meeting shall be adjourned to either the next scheduled meeting or the meeting shall be continued to a special meeting on another date.
- Definitions - Meeting Types, Study Sessions and Executive Sessions:

- > **BUSINESS MEETINGS:** Business meetings are regular meetings where Council may deliberate toward a final decision on an agenda item including consideration of ordinances, resolutions & conducting public hearings. Business meetings are open to the public. The regularly scheduled business meetings are televised.

Business meetings are generally scheduled to begin at 7:30 p.m. with a study session preceding the Business Meeting at 6:30 p.m. Study Sessions are a workshop-type of meeting (see definition below) which also provide an opportunity for the Council to review the business meeting agenda and to ask questions for clarification on issues or on process. Study Sessions are open to the public.

All Council meetings are open to the public with the exception of Executive Sessions. Executive Sessions can be called under certain circumstances and topics are limited to those defined by ORS 192.660.

- The "Visitor's Agenda" is a regular feature on the Council Business meetings. This item will be placed near the beginning of the Council Agenda to give citizens and visitors a chance to introduce a topic to the City Council. Council may decide to refer an issue to staff and/or schedule the topic for a later Council meeting.

- > **WORKSHOP MEETING:** Workshop meetings are regular meetings where Council reviews and discusses agenda topics with no intent of deliberating toward a final decision during the meeting. Workshop meetings are not currently scheduled to be televised but are open to the public.

Workshop agenda items are generally topics which Council is receiving preliminary information on and providing direction for further staff analysis and information gathering for a later business meeting. Workshop topics may also include discussions with standing boards and committees, as well as other governmental units.

Appropriate topics for Workshop meetings include:

- Introduce a Topic: Staff will bring up new items to determine whether Council wants to entertain further discussion and whether to schedule the topic as an item on a future agenda.
- Educational Meetings: Council will review research information presented by staff, consultants, or task forces - usually as a process check; i.e., is the issue on the right "track"?
- Meet with individuals from City boards and committees or other jurisdictions to discuss items of common interest (examples: other Councils, the School District, and other officials).
- Administrative Updates: Items such as calendar information, scheduling preferences, process checks.

- > **STUDY SESSIONS:** Study Sessions precede or follow a Business Meeting or Workshop Meeting. As stated above, they are conducted in a Workshop-type setting to provide an opportunity for Council to review the Business Meeting Agenda and to ask questions for clarification on issues or on process. Information is also shared on items that are time sensitive. During Study Sessions, any Council member may call for a Point of Order whenever he or she wishes to stop the "discussion" because he or she feels that it is more appropriate for the City Council to discuss the matter during the Council meeting. If a Point of Order is raised, the City Council will discuss the Point of Order and determine whether the "discussion" should continue on or be held during the Council meeting. The decision on whether to continue the "discussion" or not shall be determined by the majority consensus of the Council members present. If Council discusses a Council Agenda Topic in a Study Session prior to that Council meeting, either the Presiding Officer or City Manager will briefly state at the introduction of the Agenda Topic, the fact that Council discussed the topic in the Study Session and mention the key points of the discussion.

- > **EXECUTIVE SESSIONS:** Meetings conducted by the Council, City Manager, and appropriate staff for deliberation on certain matters in a setting closed to the public. Executive Sessions may be held during a regular, special or emergency meeting after the Presiding Officer has identified the ORS authorization for holding the Executive Session. Among the permitted topics are employment of a public officer, deliberations with the persons designated by the Council to carry on labor

negotiations, deliberations with persons designated to negotiate real property transactions, and to consult with legal counsel regarding current litigation or litigation likely to be filed.

Policy Regarding Interrelationships Between the City Council and Its Appointed Commissions, Boards or Committees (hereinafter referred to as "Boards")

- The Council shall follow the Procedure for Recruitment and Appointments to Boards and Committees established in Resolution No. 95-60.
- Appointments to any committees not covered by Resolution No. 95-60 shall be made following the procedure provided within the Resolution or Ordinance, which created the committee.
- Appointments to intergovernmental committees shall be made by Council Action.
- Appointments of Council members to internal City committees as the Council Liaison shall be made by the City Council.
- It is Council policy to make known to the public, by notice in the Cityscape, of the occurrence of vacancies on City boards for the purpose of informing persons who may be interested in appointment.
- Council will entertain regular representation by persons outside the City on those boards, which provide for such non-city membership.
- The Mayor and one Council member will serve on the Mayor's Appointment Advisory Committee for the purpose of interviewing and recommending potential board members. Council members will serve on this Committee with the Mayor on a rotated basis for a term of six months. Terms shall begin January 1 and July 1.

Communications Between City Councilors, City Manager and Staff

- Councilors are encouraged to maintain open communications with the City Manager, both as a group and individually in one-on-one sessions.
- Councilors are encouraged to direct inquiries through the City Manager, giving as much information as possible to ensure a thorough response.
- In the absence of the City Manager, Councilors are encouraged to contact the Assistant to the City Manager. In the absence of both the City Manager and the Assistant to the City Manager, Councilors are encouraged to contact the Department Head, realizing that the Department Head will discuss any such inquiries with the City Manager.
- Contacts below the Department Head are discouraged due to the possible disruption of work, confusion on priorities, and limited scope of response.

Council Agendas and Packet Information

- The City Manager will schedule agenda items while attempting to maintain balanced agendas to allow for discussion of topics while meeting the established 10 p.m. adjournment time.
- The City Manager will schedule items allowing time for staff research and the agenda cycle deadlines.
- The agenda cycle calls for submittal of items 10 days in advance of a Council meeting. Add-ons are to be minimized, as well as handouts distributed at the start of meetings, except Executive Sessions.
- Councilors and staff will prepare in advance of public meetings and issues should be presented fully in packets.
- Council is supportive of the role staff should play in offering professional recommendations. Staff is aware of Council's right to make final decisions after considering the staff recommendation, public input, the record and Council deliberation on the matter.

Communications Among Councilors

- Councilors are encouraged to suggest agenda topics at the bench or to contact the City Manager about scheduling an item into the Tentative Agenda.
- Add-on Agenda items should be brought up at the start of the meeting and generally considered only if continuing to a later agenda is not appropriate.
- Requests for legislative action of Council may be initiated by an individual Council member during a Council meeting. The City Manager will respond to the request consistent with resources and priorities, or refer the question of scheduling to Council as a whole.

Communications with Community/General Public

- Councilors and the General Public are reminded of the Agenda cycle and cut-off dates. Administrative staff is available to explain how public issues are handled and how citizen input may be accomplished.
- "Official" communication should come through City Hall and be provided by the City Manager. Direct submittal or inquiries to the Council or individual Councilors should be referred to the City Manager or Councilors may ask the City Manager to look into an issue.
- Official "press releases" are encouraged, both to assure accurate reporting and to advise Council and Staff of the official position communicated to the press. Press releases are through the City Manager's Office.

General

- Councilors are always Councilors in the eyes of the Administration, never simply private citizens. Thus, Councilors are always treated by Administration as Council members.
- Information that "affects" the Council should go to Council. The City Manager is to decide on "gray areas," but too much information is preferable to too little.
- Budget cuts or increases are policy decisions. Budgets will not be cut "piece meal" or "across the board," but rather should be made in service or program areas, giving staff full opportunity to provide data clearly defining the anticipated impact of the action.
- It is the policy of the Council that if Councilors are contacted regarding labor relations during labor negotiations or conflict resolution proceedings, then Councilors have no comment.
- Councilors and the City Manager agree to report and discuss any contact, which might affect labor relations with the entire Council in Executive Session.
- The Council Groundrules will be submitted for review by Council each year either in the July or August Workshop Meeting. The Groundrules can be reviewed and revised at any other time in the year when a specific issue or issues are identified requiring action prior to the established review period.

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